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Current Topics.

Judges and Knighthood.

IN THE Life of LORD ELDON in Campbell's "Lives of the Chancellors," we are told that, when that great lawyer was appointed Solicitor-General, "to the high contentment of the Bar, and the general satisfaction of the public," he modestly wished to avoid knighthood, but GEORGE III then laid down a rule, which has been adhered to ever since, that the Attorney- and Solicitor-General, and the judges, if not "honourable" by birth, shall be knighted, "to keep up the reputation of the ancient Order of Knights-bachelors." As most people are aware, nearly all of the judges, immediately after their appointment, receive the dignity of knighthood in accordance with this old rule. Some of our older readers may remember that Mr. Justice R. S. WRIGHT struggled hard to escape being made a Knight—a dignity which, said he, put him on a level with City Aldermen and others with whom he had no desire to be likened. In the end, the practice or custom was too much for him, and so, with a very bad grace, he accepted the honour which he considered no honour at all, in this resembling the man mentioned by FREDERICK LOCKER LAMPSON, in his entertaining book "Patchwork," who, having met a friend who had just been given a handle to his name, said "A knighthood, I presume?" "No," said the other, "a baronetcy." "I am sorry for that," replied the first. "Sorry, why?" asked the recipient of the dignity. "Well," answered his candid friend, "you see, if it had been a knighthood the infamy would at least have died with you," a somewhat cruel observation even for a candid friend. The order instituted by GEORGE III above referred to excepts from the obligations of being knighted those who are "honourable" by birth. Several sons of peers on being promoted to the Bench have on this account declined to be knighted, among these being Mr. Justice DENMAN and the present LORD RUSSELL OF KILLOWEN. Others have been content not to vary from their colleagues in this matter and have accepted knighthood as has just been done by Mr. Justice LAWRENCE, who, as the son of a peer, could have claimed to be excused.

A Statutory Lapse.

THE President of the Board of Trade Act which passed through all its stages in both Houses of Parliament and received the Royal Assent on 25th April, was required to remedy a piece of faulty staff-work in the legal department of the Legislature. The matter really lay in a small compass. In 1826 a statute dealt with "the Office of President of the Committee of Council appointed for the Consideration of Matters relating to Trade and Foreign Plantations" allowing him a salary not exceeding £2,000 a year. This was or might have been a "new office" under the Crown within the old Act of 1707, which still forbids the holders of such new offices to sit in Parliament under very heavy penalties recoverable by informers. Accordingly, since it was desired that the President should have liberty to become a member, the Act of 1826 excepted him from the operation of that of 1707. In 1909 the Government was minded to enlarge the salary of the President of the Board of Trade, who by various adjustments was the lineal successor in office of the President of the Committee. An Act was accordingly passed to clear away the limitation, the method adopted being the entire repeal of that of 1826, and the allowance to the President of such salary as Parliament might determine. The matter overlooked was that the repeal of the 1826 Act also swept away the provision excepting the President from the operation of that of 1707, which thus possibly or probably revived against him. It is understood that the point was raised by some wideawake young man in the course of editing a well-known text-book, and was considered serious enough by the Attorney-General to hold up the whole business of Parliament while it was rectified by the new statute, for ever barring the common informer from his £500 a day as the fruit of his zeal for the observance of the 1707 Act by the President. The question whether this rectification was necessary, however, did not pass without comment. There was a letter to *The Times* headed "A Mare's Nest?" arguing that, under the Interpretation Act, 1889, s. 11 (1) or, alternatively, s. 38 (2), the repeal did not really revive the operation of the former statute, and therefore, that the new Act was unnecessary. An answering letter, however, denied this contention, and called attention to "authorities showing that the repeal of a statute imposing a condition upon a prior prohibition leaves the prohibition in full force." No authority was named, but, since the cases of *Mount* v. *Taylor* (1868), L.R. 3 C.P. 645, and *Levi* v. *Sanderson* and *Mirfin* v. *Attwood* (1869), L.R. 4 Q.B. 330 and 333, are practically the only ones concerned with the revival of a statute in this way, no doubt they were in the writer's mind. They deal with the revival of the "Statute of Gloucester," 6 Edw. I, ch. 1, in application to the costs of a county court case on the repeal of the County Courts Act of 1846 by that of 1867. There was a dissentient judgment in *Mirfin* v. *Attwood*, and those who read these cases carefully will see that there was sufficient doubt in their application and that of the Interpretation Act, 1889, to the President's case to justify the new statute.

Gramophones in Court.

THAT THE playing of a gramophone record in court is still a sufficiently unusual occurrence to incite considerable public interest was evidenced by the crowded court which recently listened to the playing of a record in Mr. Justice MCCARDIE'S court. The action being heard by his lordship and a special jury was that brought by Mrs. MORRIS, a spiritualist, for damages for alleged libel against Associated Newspapers, Ltd.,

in connexion with a comment on her appearances at the Fortune Theatre when she preached sermons under the alleged influence of a spirit control called "Power." The record was one of a sermon alleged to have been made by "Power" through the mediumship of Mrs. MORRIS, and the object of playing it was to enable the jury to observe the difference between the voice of "Power" and Mrs. MORRIS'S own voice. One of the earliest instances, if not the earliest, of the use of a mechanical instrument for the reproduction of sounds in court occurred in 1888 in *In re Jackson Co.'s Trade Mark*, 60 L.T. 93, 6 Pat. Cas. 80. In that case application was made to register as a trade mark for cotton goods the word "Kokoko"—a word used by the Chippeway Indians of North America to designate a particular species of owl which is heard in the forests at night. Mr. Justice KAY, before whom the matter came, apparently experienced some difficulty in appreciating just how the word sounded, for the report of the case briefly states: "In the course of the argument a phonograph was produced to the learned judge, to give the exact pronunciation of the word 'Kokoko.'" One may perhaps be permitted to doubt whether at that early date the reproduction was particularly clear or exact. EDISON'S first patent for reproducing recorded sounds was not taken out till 1876, and, according to the Encyclopædia Britannica, was an imperfect instrument on which subsequently many improvements were attempted. From 1877 to 1888 EDISON was engaged in working out the details of the wax-cylinder phonograph. It is a far cry from those days to the recent use in the Manchester Police Court of recording instruments which can accurately reproduce the whole or any part of the proceedings at will.

A House as a Danger to a Neighbour.

FROM TIME to time attempts are made, but with very little success, to extend the famous doctrine of *Rylands* v. *Fletcher*, L.R. 3 H.L. 330, beyond its proper limits to sets of facts outside the scope of the original decision. *Rylands* v. *Fletcher* is not, by the way, a branch of the law of negligence or nuisance, but rather of trespass to land, and the editor of the last edition of "Salmond on Torts" has considered it of such importance as to need a whole chapter to itself. The rule is that the occupier of land who brings and keeps upon it anything likely to cause damage to his neighbour if it escapes is bound at his peril to prevent its escape, and is liable for all the natural consequences if it does escape, though he has been guilty of no negligence. The danger in the original case was a reservoir, but any kind of danger dead or alive may bring in the rule, and tigers are sometimes used as an exemplification of it. But the rule has definite limitations. The owner must bring the danger upon it, and therefore in *Pontardawe Rural District Council* v. *Moore-Gwyn* [1929] 1 Ch. 656, where rocks which had weathered fell down a hillside and damaged a house, the defendant who owned the land was held not to be liable. Another limitation is shown by a recent decision of LUXMOORE, J., in *Wilkins* v. *Leighton* (W.N., 19th March), which is of some importance as the facts might very well occur again. The plaintiff was the owner of a boarding-house at Boscombe on a steep hill going down towards the sea, and when the house was built about 1888 a level site was excavated in the sandy soil and a long and high retaining wall built to keep the slope of the excavated soil from weathering and crumbling away. In 1926 the land, which lay above and beyond the wall, and till then had been lying waste, was used for building, and the defendant became the purchaser of the house built upon it, on the edge, in fact, of a small precipice. Possibly he thought the situation was dangerous for himself, but at any rate he took the risk. In 1930, however, the plaintiff's retaining wall collapsed for almost its entire length, and he brought this action against the defendant on the grounds of negligence and nuisance and the doctrine of *Rylands* v. *Fletcher*. The defendant denied liability, and endeavoured to show that his house was not the cause of the collapse. LUXMOORE, J., found that the plaintiff's wall had fallen by reason of the additional thrust placed upon it by the building of the plaintiff's house, but held that the plaintiff had no cause of action. The rule in *Rylands* v. *Fletcher* could not extend to any natural or normal use of land, and no use of land could be more normal than to build a house upon it. The plaintiff by excavating his own land had not compelled anyone building on adjoining land to take special precautions by carrying down his foundations to a great depth. And the defendant had purchased his house from the person who built it, and could not be said to be aware of the existence of any nuisance, a tort for which only the occupier can be liable. The case was largely covered by the decision of the Court of Appeal in *St. Anne's Well Brewery Co.* v. *Roberts* (1928), 140 L.T. 1, where part of the ancient wall of the City of Exeter fell and practically destroyed an old inn that was built underneath it. In that case the plaintiffs attempted to apply *Rylands* v. *Fletcher*, but, of course, failed.

Carrying Goods in Private Cars.

A MATTER of peculiar interest to the motoring community was raised in the case of *Payne* v. *Alcock* (reported on page 308 of this issue), when the Divisional Court, consisting of Lord HEWART, L.C.J., and AVORY, J. (MACNAGHTEN, J., dissenting), gave a decision likely to have a far-reaching effect relating to the use of private motor cars for the conveyance of goods. The appellant—a greengrocer—had been fined for using his private motor car for purposes of his business without paying the higher rate of duty for the licence required for a car used for carrying goods. The issue turned upon the words "constructed or adapted for use and used for the conveyance of goods," and the appellant's contention was that as his car was of the ordinary saloon type with two seats for passengers and had not been constructed or adapted for use for conveyance of goods he was not liable to pay the higher rate of duty. The view taken by a majority of the court was that the motor car, whatever its construction, had been used "for a purpose" which brought it within the ambit of the higher scale. The observation by AVORY, J., that the result of the decision would be far-reaching and "might produce what the ordinary public would call an absurdity" will undoubtedly be borne out: not that the "absurdity" will be applied to the judges themselves, but to the statute framed in so obviously vulnerable a manner. Obviously the effect of the decision will be that a lady "shopping" with her motor car will render herself liable to pay the higher rate of duty if she carries home in her car the goods she has purchased. It is not difficult to see how the statute could be amended to meet such a case; but it is difficult to understand why the draftsman or Parliament did not appreciate the point as being certain to arise when the statute was being framed.

Golfers' Negligence.

THE DECISION of the Court of Appeal in *Langham* v. *The Governors of Wellingborough School and Fryer* (*The Times*, 9th April) lends interest to the case of *Haslam* v. *Brooks* at the last Derbyshire Assizes. The plaintiff, a boy aged fifteen, was caddying for a four-ball party at Chevin Golf Course, and he went ahead with the other caddies at the eleventh hole—the Punch Bowl. By reason of the shortness of the hole, the defendant played a mashie niblick shot from the tee, but he half-topped the ball, which struck the plaintiff in the eye. The defendant's case was that he shouted "Fore" before playing the shot, and another player repeated the warning immediately afterwards, but the plaintiff nevertheless looked round. Mr. Justice HORRIDGE held that the defendant had not taken reasonable care to see that the caddies were out of danger, and, as the plaintiff had lost his employment in a mill (owing to the eye being almost useless), he was awarded £300 damages and costs. For prior references under the above title, see our issue of the 14th February, 1931 (75 SOL. J. 112).

Criminal Law and Practice.

PROOF OF SUBORDINATE LEGISLATION.—The Lord Chief Justice, to some extent revising an observation of his own made earlier in the case, explained, in a case before the Divisional Court recently, the position with regard to statutory rules and orders and their proof.

When a bulky volume of statutory rules and orders was handed to him in order that he might refer to regulations made under the Road Traffic Act, Lord Hewart remarked: "Everyone is presumed to know all these." In the course of conversation with counsel, Hawke, J., asked whether the presumption extended to His Majesty's judges. The Lord Chief Justice then observed: "Strictly speaking, it is wrong to say that everyone is presumed to know them, but ignorance of them is no defence."

That is, of course, the exact position. Whereas the courts take judicial notice of all public general Acts of Parliament, referring to the text only (pleasant fiction!) to refresh their memory, it is otherwise with statutory rules and orders and other subordinate legislation. These have to be proved. There is authority for saying that where they have been brought to the notice of the court and not disputed, failure to prove formally is not fatal, but careful practitioners always make it their business to see that the proof is forthcoming.

Such proof is furnished by production of a copy of *The London Gazette*, purporting to contain the order in question, or by a copy purporting to be printed by the Government printer, or in certain cases by duly certified copies or extracts.

The proof of bye-laws depends to some extent on the particular statute under which they are made, but the usual method is the production of a sealed or certified copy.

Ignorance of orders and bye-laws is no more excuse than ignorance of the statute law, though ignorance may, and often does, go in mitigation of penalty. It is not unreasonable to require people who possess motor cars, or engage in particular occupations, or make use of public parks, to be on the look-out for regulations that may affect them, or else take the consequences.

TRADE DESCRIPTION OF MEDICINE.—An unusual prosecution instituted at the instance of the Pharmaceutical Society of Great Britain took place recently at Coventry Police Court, when a proprietor of a drug store appeared to answer four summonses accusing him of unlawfully applying to a bottle of medicine a false trade description. He was also summoned for having in his possession for sale a bottle to which a false trade description had been applied, and for selling such a bottle. It was said on behalf of the prosecution that in view of certain information an inspector of the society called at defendant's shop and asked for "paregoric." The inspector was served by a girl who said she was defendant's daughter. On the bottle purchased by the inspector was simply the word "paregoric." The contents were analysed, but were found to be deficient in one of the primary constituents of paregoric—tincture of opium. This substance could only be sold by a qualified person, and defendant was not a qualified person. The magistrates inflicted a fine of £10 with 10 guineas costs on the summons charging the defendant with applying a false trade description, the other summonses being dismissed. The interesting point about this prosecution was that in the first place the action was taken by the Pharmaceutical Society under the provisions of the Merchandise Marks Act, and not by the local authority responsible for the administration of the Sale of Food and Drugs Acts. The penalty and costs seem to be rather heavy. Proceedings could have been taken under the Sale of Food and Drugs Acts for supplying an article "not of the nature, substance and quality" of the article demanded, and in that event the probability is that quite a small penalty would have been inflicted unless the accused had been previously convicted, which does not appear to have been the case.

Bills of Exchange Act, 1882.

OMISSIONS FILLED UP BY DRAWER UNDER SECTION 20.

Bernardi v. *National Sales Corporation Limited* [1931] W.N. 100, raises interesting points as to the effect of an indorsement by the drawer of a bill payable to the drawer's order, in time, later than and, in space, below that of a third party.

The facts of this case were as follows: Allday's Commercial Motors Limited were indebted to National Sales Corporation Limited (hereinafter called "the corporation"), and a meeting took place between representatives of both and one BERNARDI, who was associated with Allday's. It was arranged that the corporation should give time to Allday's in consideration of Allday's giving certain bills to be drawn by the corporation on Allday's and accepted by them, and of BERNARDI indorsing the bills so as to make himself liable to pay if Allday's did not. Bills were prepared, signed by the corporation as drawers, accepted by Allday's and indorsed by BERNARDI, who placed his signature close to the top of the paper. The corporation then indorsed the bills below BERNARDI's signature.

WRIGHT, J., held that, as BERNARDI had indorsed the bills to make himself liable to the corporation, he had impliedly authorised the corporation to give effect to that purpose by adding their own indorsement, and that the mere order of these indorsements should not be held to nullify the intention of the parties.

The principles of law applicable to *Bernardi's Case* may be treated under two heads:—

(1) What is the effect of the drawer's indorsement subsequent in time to that of a third party?

(2) Is the position of the drawer's indorsement material to the validity of the bill?

The first head is covered by decisions of the court, and the matter depends upon the authority, express or implied, of the drawer. If the drawer has authority to complete the bill by adding his indorsement, that indorsement takes effect retrospectively and enables the drawer to sue the indorser upon the bill. "The logical order of operations with regard to a bill is, no doubt, that the bill should first be filled up, then that it should be signed by the drawer, then that it should be accepted, then that it should be negotiated, and then that it should be indorsed by the persons who become successively holders; but it is common knowledge that parties very often vary, in a most substantial manner, the logical order of those proceedings, and s. 20 of the Bills of Exchange Act is intended to deal with those cases" (per FLETCHER MOULTON, L.J., in *Glenie* v. *Bruce-Smith* [1908] 1 K.B. 263, at p. 267).

Section 20 of the Act provides that "(1) where a simple signature on a blank stamped paper is delivered by the signer in order that it may be converted into a bill, it operates as a *primâ facie* authority to fill it up as a complete bill for any amount the stamp will cover, using the signature for that of the drawer, or the acceptor or an indorser; and, in a like manner, when a bill is wanting in any material particular, the person in possession of it has *primâ facie* authority to fill up the omission in any way he thinks fit. (2) In order that any such instrument when completed may be enforceable against any person who became a party thereto prior to its completion, it must be filled up . . . strictly in accordance with the authority given . . . Provided that if any such instrument after completion is negotiated to a holder in due course it shall be valid and effectual for all purposes in his hands, and he may enforce it as if it had been filled up . . . strictly in accordance with the authority given." To bring this section into force in such a case as *Bernardi's* the drawer must have express authority, or there must be circumstances from which the court can imply authority, to complete, and the drawer must act within such authority.

WRIGHT, J., in *Bernardi's Case* said that the facts would be covered by *McDonald & Co.* v. *Nash & Co.* [1924] A.C. 625,

but for the relative positions of the indorsements. The facts in *McDonald's Case* were as follows: The appellants sold to A & Co. 19,000 cases of tinned soup, cash against delivery order. A & Co. were unable to find the money and applied to the respondents for financial assistance. The respondents undertook, as between themselves and A & Co., to find 75 per cent. of the money, there then being about 16,000 cases which had not been taken up. At a meeting between the appellants, the respondents and A & Co. it was agreed that the respondents should indorse a series of bills to be drawn by the appellants on A & Co. to the appellants' order, and that the appellants, in consideration of the bills being duly indorsed by the respondents, should hand to the respondents delivery orders for the balance of the cases. The bills were drawn at once and were accepted by A & Co. and indorsed by the respondents. Room was left above the name of the respondent for the indorsement of any person to whom the appellants should direct payment. The bills were handed to the respondents in exchange for the delivery orders. One bill having been discharged, the appellants shortly before the remaining bills became due indorsed their name as payees on the bills above the respondent's signature. In an action by the appellants to recover the amount of the bills against the respondents as indorsers, the House of Lords, applying *Glenie* v. *Bruce-Smith* [1908], 1 K.B. 263, and *In re Gooch* [1921] 1 K.B. 593, held: (1) on the facts that the respondents must be taken to have intended to make themselves liable to the appellants on the bills; (2) that the bills, when handed to the appellants, were wanting in a material particular within the meaning of s. 20 of the Bills of Exchange Act, 1882, by reason of the absence of any indorsement by the appellants above the signature of the respondents, and that the appellants had implied authority to fill in their name as payees, as they did, over the name of the respondents; and that, when so filled up, the bills became retrospectively enforceable.

Lord DUNEDIN, in his judgment, said: "There is a question of fact which must first be decided before we can consider the law of this case, and that is whether NASH, in putting his name on the bill, did intend to become liable to McDONALD in all events. In company with, I believe, all of your lordships and agreeing with SCRUTTON, L.J., and ROWLATT, J., I think he did . . . I feel no doubt that s. 20 fits the case. It is admitted that if the indorsement by the drawer had stood upon the bill when NASH indorsed it, there would be no more to be said. Now, on the hypothesis that NASH intended to become liable, which we have found is a fact, then it seems to me that the second part of sub-s. (1) of s. 20 precisely applies; for *ex hypothesi* the material particular that is wanting is that very indorsation which was afterwards filled in, and this is done as conditioned by sub-s. (2) of s. 20 in accordance with the authority given. This view seems to me strictly in accordance with what was decided by the Court of Appeal in *Glenie* v. *Bruce-Smith*."

FLETCHER MOULTON, L.J., in *Glenie* v. *Bruce-Smith*, after outlining "the logical order of operations," made the following observations: "If you choose to anticipate the logical order of events and give that uncompleted document to a person in order that it may be made a complete bill, then he has a *primâ facie* authority to fill up the omission. . . . Now we come to the case of those who become parties to the bill while it is still incomplete. Their rights are limited and are defined very clearly in the second paragraph of s. 20. . . . The plain meaning of that enactment is that in the case of a bill so filled up persons have just the same rights as persons in the same position with regard to an ordinary bill, provided there has not been a *de facto* exceeding of authority, and provided that the bill is filled up in a reasonable time."

It is clear that the facts in *Bernardi's Case*, apart from the position of the indorsements, are covered by *McDonald & Co.* v. *Nash & Co.*, and, therefore, fall within s. 20 of the Act. But there are two other decisions to be reckoned with: *Jenkins & Sons* v. *Coomber* [1898] 2 Q.B. 169, and *Shaw & Co. Ltd.* v. *Holland* [1913] 2 K.B. 15.

In *Jenkins & Sons* v. *Coomber*, it was agreed between the plaintiffs and A, who owed them money, that they should draw a bill on him, and that the defendant, who was A's father, should indorse it to guarantee payment. They accordingly drew a bill on A to their own order and, without indorsing it, gave it to A, who returned it to them accepted by himself and indorsed by the defendant. They then indorsed it, and it was not met at maturity. It was held that the defendant was not liable as indorser under s. 55 of the Act, nor as having incurred the liabilities of indorser under s. 56, since, at the time he put his name on the bill, it was not complete and regular on the face of it, as it lacked the plaintiff's indorsement. It is to be observed that in this case s. 20 was not referred to either by counsel or the judge, and the decision must be treated on that footing.

The facts in *Shaw & Co. Ltd.* v. *Holland* were as follows: It had been arranged between the plaintiffs and a company that the plaintiffs would supply goods to the company to be paid for by bills accepted by the company if the defendants, who were directors of the company, would indorse the bills by way of security for their payment. The plaintiffs, for the price of goods supplied, drew a bill of exchange payable to their own order on the company, and, without indorsing it, sent it to the company who returned it accepted with the defendants' signatures thereon. The plaintiffs then placed their signature on the back below that of the defendants. In an action by the plaintiffs against the defendants, the bill not having been met at maturity, it was held that the defendants were not liable as indorsers or as having incurred the liabilities of indorsers under s. 56.

Lord SUMNER (then Hamilton, J.), whose decision was subsequently confirmed by the Court of Appeal, held that the plaintiffs had no authority from the defendants to complete the document, and that s. 20 of the Act was inapplicable. He distinguished *Glenie* v. *Smith* in these words: "Two signatures having been put on the blank stamped paper, it was delivered in order that it might be converted into a bill, and therefore operated as a *primâ facie* authority to the person to whom the document was delivered to fill it up as a complete bill, of which he was to be the drawer and the two persons previously signing were to be acceptor and indorser respectively. Therefore s. 20 applied, and the bill was one upon which the plaintiffs could sue and recover." In the case of *In re Gooch*, SCRUTTON, L.J., dealt with *Shaw & Co. Ltd.* v. *Holland* and *Glenie* v. *Bruce-Smith*. Of *Shaw & Co. Ltd.* v. *Holland*, his lordship observed: ". . . HAMILTON, J., declines to find any agreement by the indorsers that the drawers shall add anything necessary to make the bill a regular and complete bill of exchange on which the indorsers might be sued as indorsers." Upon this ground then, *Shaw & Co. Ltd.* v. *Holland* is distinguishable from *Bernardi's Case*.

In *McDonald & Co.* v. *Nash & Co.*, room was left above the indorsement of the third party, and in this space the drawers indorsed their name as payees, so that the indorsements appeared in their logical order. But, in *Bernardi's Case* the drawers indorsed their name below that of the third party, BERNARDI. Apart, therefore, from the application of s. 20 of the Bills of Exchange Act, 1882, a question arose as to the materiality of the position of the indorsements.

After considering the authorities, WRIGHT, J., held that the mere order of the indorsements was immaterial. The result of this, coupled with the finding that the case fell within s. 20 was just as if BERNARDI's indorsement had been added to drawers' indorsement after in time and below in space.

In *Jenkins & Son* v. *Coomber* the bill was indorsed by the drawer below the indorsement of the third party, but the point was not the subject of express decision. One of the bills in *Glenie* v. *Bruce-Smith* was indorsed in the wrong order, but the

two bills were treated upon the same footing. HAMILTON, J., in *Shaw & Co. Ltd.* v. *Holland*, applying *Jenkins & Son* v. *Coomber*, said: "Then the drawers also indorsed it, but unfortunately indorsed it, as has been done in the present case, below the name of the person whom they were suing as indorser." HAMILTON, J., evidently attached importance to the position of the indorsements.

It was in *In re Gooch* that the point was first fully discussed, and Lord STERNDALE, M.R., accepted *Glenie* v. *Bruce-Smith* and distinguished *Shaw & Co. Ltd.* v. *Holland*. He said: "The difficulty arises from the mistake made by the petitioning creditor in signing his name as payee and indorser below instead of above that of the debtor, and it was argued that for that reason this bill was irregular and could not be sued upon. The same state of things existed in one of the bills sued upon in *Glenie* v. *Smith*. A. T. LAWRENCE, J., in dealing with it, said: 'I think the bill for £124 11s. must be read with the other as though indorsed to the defendant by the drawer and re-indorsed by the defendant to the deceased for value received in the shape of pigs sold to the farmer pursuant to his request.' In the Court of Appeal the judgment of A. T. LAWRENCE, J., was affirmed and no distinction was made between the bills, and therefore, I think, it must be taken that the whole of his judgment was approved." His lordship then distinguished *Shaw & Co. Ltd.* v. *Holland*, and observed: "Judging by what was said by VAUGHAN WILLIAMS, L.J., in *Shaw* v. *Holland*, he would have decided the case differently if the bill had been negotiated, and would have considered it as a case of indorsements being in wrong order." SCRUTTON, L.J., dealt with these two cases in much the same way as Lord STERNDALE. *In re Gooch* is, therefore, an authority for treating the mere order of indorsements as immaterial.

There is, however, one point to be urged against the view that the order of indorsements is immaterial, and it is bound up with the question of authority to complete. Can it be said that to indorse a bill in the wrong order is completion by the drawer "strictly in accordance with the authority given?" The question is, of course, dependent upon the finding in each case as to what the authority is, but it might be urged that the authority must be to fill up the bill as a regular bill. This contention may be supported by the observations of HAMILTON, J., in *Shaw & Co. Ltd.* v. *Holland*: "Further, assuming that an authority ought to be inferred as suggested, it is at the utmost an authority which has not been exercised by the plaintiffs, because the plaintiffs, instead of filling up the document like an ordinary bill of exchange, filled it up so as to make it appear an irregular bill of exchange." Dealing with *Jenkins & Son* v. *Coomber*, his lordship said: ". . . instead of pursuing the actual authority to complete it by indorsing it themselves so as to indicate to whom it was payable by their order, the plaintiffs put their names below the name of the defendant under the impression that they were thereby making it a complete and regular bill, which in fact they were not doing."

WRIGHT, J., however, in *Bernardi's Case* treated the wrong order of indorsements as inadvertence. In any event, it is difficult to see how the positions could have been different in that case, because BERNARDI put his indorsement close to the top of the paper, and so, presumably, prevented the drawers from indorsing above it. Apart, however, from the authorities, the decision on this point would appear to be founded on common sense. It is difficult to imagine that the placing of an indorsement in wrong order would be due to anything other than inadvertence, especially if the validity of the document were thought to depend upon correct order. Further, indorsements might appear on a bill in wrong order, although the bill was indorsed logically in the matter of time as where the drawer indorsed before delivery to the third party and the third party indorsed his name above that of the drawer. Presumably no objection could be taken to the bill on that account.

The authorities on this branch of law are by no means without difficulty, but the decision in *Bernardi's Case* is clear. It is, at any rate, commercially sound for, in commerce, mere formalities should not be allowed to defeat the intention of the parties, and, further, it is submitted that it is sound law, following *McDonald & Co.* v. *Nash & Co.*, and *In re Gooch*, and distinguishing *Jenkins & Son* v. *Coomber* and *Shaw & Co. Ltd.* v. *Holland*.

Land and Estate Topics.

BY J. A. MORAN.

No doubt the Government has plenty of work on its hands just now; but if there were some official intimation that the long-standing grievances of property owners, due to the faults and follies of successive administrations, would receive consideration at the earliest available opportunity, it would be sure to put new life into the market. At present, considering we are on the threshold of what is usually considered to be the chief season of the year, business is at a low ebb, and few appear to be selling except those who are compelled by the stress of financial circumstance to get rid of their holdings. Most certainly the competition that has prevailed so far shows that there are many buyers about; and if sellers would only begin to realise that times are not what they were, and be prepared to accept a local valuer's opinion of the value of their property, the market would make a big advance.

The land speculator is just waiting his opportunity. He made money in the past, particularly after the war, when he divided large domains into lots arranged so as to give the tenants an opportunity of purchasing their holdings, and it is merely the dread of legislative inaction or unjustifiable interference that induces him to "mark time." With the investor, however, it is different; he is not out to run much risk. But he keeps his eyes open while maintaining all the time a preference for the pre-war residence when compared with the modern villa.

During the past few years there has been much activity on the part of speculative builders in connexion with so-called "ideal" houses that are usually of a very commonplace character. The terms of purchase are, no doubt, on the easy side, but the man who can afford to avail himself of the services of an architect and erect his own home, will realise afterwards that no time nor money was wasted.

Mr. DOUGLAS YOUNG and Mr. JOSEPH STOWER, whose deaths occurred recently, both had a considerable innings. These two well-known London auctioneers had strong ideals, but their tastes and their temperaments were as far distant as the Poles. Mr. STOWER did much good work on the benevolent fund side of the Auctioneers' and Estate Agents' Institute, but he was of a very retiring disposition. Mr. YOUNG, who was a surveyor to the Board of Trade, a director of the Auction Mart, and had an active association with four tube railways, took an active part in politics, and for many years was a leading member of the National Liberal Club. He seldom missed an important professional gathering and never hesitated to voice his own opinions.

There was no reference to the income tax payments of building societies in the Budget speech, but a new arrangement will be announced shortly. Briefly, income tax is to be compounded at 2s. in the £ (at the present level of income tax), instead of 1s. 3d. Building societies have so far paid 50 per cent .of the normal rate of tax upon one-half of their dividend and interest payments—in effect, 25 per cent. of the amount of the tax. Under the new arrangement, as agreed by the National Association of Building Societies with the authorities, the societies are to pay two-fifths of the standard rate of tax—40 per cent., instead of 25 per cent.

The Future of the Rent Restrictions Acts.

[Contributed.]

Dr. Wilkinson's useful summary of and explanatory notes regarding the Inter-Departmental Committee's Report prompts the present writer to offer a few observations on the proposals. These observations are confined to English houses outside the Metropolis.

The underlying idea of the recommendations of the Committee appears to be that the occupiers of houses in Class A of a rateable value of £35 and over can be left to look after themselves: that those occupying properties in Class C of a rateable value up to £13 require continuous protection; whilst those of the intermediate Class B of a rateable value of over £13 and under £35 still require such protection as the present Acts afford, i.e., subject to a gradual process of de-control by reason of landlords coming into actual possession.

It is stated that the rateable value of £13 is approximately equivalent to an *inclusive* rent (i.e., rent and rates, including water rate where paid) of from about 9s. 6d. to 11s. 6d. a week. It may be observed that where (as is believed to be a common practice) an assessment committee does not have regard to fractions of £1 in respect of *gross* values over £20, there is no such thing in the valuation list for the assessment area as a rateable value of £13. Owing to the provisions of the Rating and Valuation Act, 1925, that fractions of £1 not exceeding 10s. in *rateable*, or net annual value are to be disregarded, the only houses (without land other than gardens) which can be assessed at a rateable value of £13 are those in respect of which the gross value is assessed at over £20 and not exceeding £20 10s. According to the existing scale of deductions the rateable value of a house of the gross value of £20 is £12 and the rateable value of a house of the gross value of £21 is £14.

The limit of 11s. 6d. a week for inclusive rent as representing a house of £13 is probably given as including a yearly general rate of something under 15s. in the £. Unfortunately some of our county boroughs have rates exceeding that sum. With a general rate of 18s. on an assessment of £13 (if there are any assessments at that figure) the inclusive rent (with water rate) would work out at over 12s. 6d. a week.

As to the policy of keeping these small houses permanently protected and more particularly of retaining the restriction against calling in mortgages, the objections are so obvious to every practising solicitor, as not to require enumeration. On the other hand what would be the disadvantages of de-control? Was it Jessell, M.R. who said that the first principle of public policy was that freedom of contract should not be lightly interfered with? It may perhaps be admitted at once that some cases of hardship would arise due to the action of grasping landlords, but, taking a broad outlook, it is considered that the disadvantages from the tenant's point of view have been greatly exaggerated.

A few years ago during the preparation for the first valuation under the Rating and Valuation Act, 1925, the present writer had occasion to confer with the very experienced clerk to the assessment committee of a large town as to the propriety of assessing small houses on a basis above the rental values to which the landlords were entitled by the Rent Restrictions Acts to increase pre-war rents. It will be remembered that the House of Lords decided in *Poplar Assessment Committee* v. *Roberts* [1922] 2 A.C. 93, that the Rent Restriction Act, 1920, did not affect the assessment of houses within its restrictions, since the test of annual value is what a tenant will give, and not what a landlord is allowed by law to take. The conclusion come to at the conference referred to was that it would not be right to assess small houses of the usual inclusive rent type at more than the average of the then rents as increased under the Acts, for the reason that, in applying the decision of the *Poplar Case*, it was necessary to assume that there was a free market in all the restricted houses, and on that assumption tenants could not be found who could afford to pay appreciably more than existing rents.

In the writer's view, most of the wage-earning class who are occupying houses belonging to private individuals are now paying about as much as they can afford in rent, and with a free market landlords would soon find that they must be content in most cases with the rents they are at present getting. Undoubtedly there would be a considerable "up-set" for a time. Many owners would try to sell their houses, but here again the free market would soon level things up, and why a workman who has saved up enough to buy a house should not, if he wishes, be allowed an opportunity to buy an old house within reasonable distance from his daily work instead of having to build or buy a new one some two miles or more away is a mystery.

No doubt also some of the bad tenants would be quickly ousted, but most owners of small houses who hold them as an investment would sooner have good tenants at the present rents than bad ones at increased rents.

Further, it is doubtful whether sufficient attention was paid to the fact that the population has become stationary, or is probably even slightly decreasing, whilst local authorities are still continuing housing schemes where the needs of the population demand.

It might be noted, too, that the Minister of Health, in a speech in the House of Commons on the 12th April, expressed the view that there was no evidence of a general house shortage throughout the country, and that it was only in particular areas that a shortage still existed.

The present system is very favourable to an owner who gets a house decontrolled. A tenant can usually be found at a substantially increased rent, but the same result would certainly not apply if all houses were decontrolled at once. For this reason it is submitted that the proposal of the committee to continue the present decontrolling provisions with regard to Class B houses is not in the best interests of the class of tenant available for those houses.

Then, again, with regard to mortgages, it is apparently suggested by the committee that, if these were allowed to be called in, the owners would have to re-borrow at advanced rates. How many mortgages on small houses were created at less than 4 per cent. interest?

The Acts allowed a 1 per cent. increase and ruling rates of interest are not so high that mortgagors would have to pay much more than they are now liable for. In most cases, if the security is adequate, an owner could get the money at as low an interest as he is at present paying. And if the security is not now adequate, as in many cases it no longer is with controlled houses, why should the mortgagee bear the risk which it was never contemplated he should have to bear? There appears to be no sufficient reason why a mortgagee of leasehold houses should be able to obtain an order authorising the calling in of the money on account of depreciation of the security, whilst a mortgagee of freeholds has no right even where depreciation in the value of the security is due to a matter independent of the Restriction Acts, such as a change in the character of the neighbourhood, or the natural depreciation due to time. Moreover, if the houses were decontrolled there would naturally be decontrol of mortgages.

With regard to the recommendation of the committee that the provisions of s. 12 (9) of the Act of 1920, dealing with the assessment of new houses erected or completed after 2nd April, 1919, are no longer necessary on the ground that the Rating and Valuation Act, 1925 (inadvertently printed 1930 in Dr. Wilkinson's article), and subsequent Acts have been passed with the object of securing uniformity, the committee seem to be insufficiently advised. The Acts referred to merely promoted uniformity to the extent of providing a uniform scale of deductions from gross to rateable

or net annual value, they did not purport to alter the principles upon which the gross value was to be ascertained.

The result of the repeal will be that, if in any district it can be shown that houses of the local authority built under the Housing, Town Planning, &c., Act, 1919, would fetch a greater rental than that at which they are let (if the authority was free to demand it), the assessment of such houses may be increased and the assessment of all other small houses erected since 2nd April, 1919, including houses erected by the local authorities under subsequent Housing Acts, may be proportionately increased. If s. 12 (9) is no longer necessary, the real reason would seem to be, not the one suggested, but that the local authorities are themselves the rating authorities responsible for preparing valuation lists, whilst assessment committees consist in large part, if not in greater part, of members of such local authorities, and neither the rating authority nor the assessment committee in any district would therefore be likely to view with favour the increase in the assessments of houses provided under any Housing Act beyond the basis on which such houses are now assessed. Whilst rating authorities keep their own houses down to present assessments, they are bound by the principle of equality of assessment, which is in no way dependent on any provision of the Rating and Valuation Acts, to assess other small houses proportionately, or, to be more accurate, assessment committees are bound to see that this principle of equality is adhered to as far as possible, and failure to observe it with regard to a large class of houses might even make the whole valuation list bad: *Double* v. *Southampton Assessment Committee* [1922] 2 K.B. 213.

Light—Collective Responsibility of Servient Owners.

A QUESTION relative to the liability *inter se* of servient owners to permit light to pass over their respective properties to an ancient building now appears to have been settled in the recent case of *Sheffield Masonic Hall Co. Ltd.* v. *Sheffield Corporation* [1932] W.N. 89. In view of the indefeasible right to light given by the Prescription Act, 1832, upon twenty years' enjoyment, it is somewhat surprising that the matter has remained so long at large. Curiously enough, the earliest report of this case, to which reference has been made, synchronised with the appearance of an article in this Journal on the subject of ancient lights, in which allusion was made to the principle that obstructible light is not to be taken into account in estimating the probable effect of a threatened obstruction. The present case answers the question whether protected light (or light in respect of which the prescribed period has run) is to be considered in this connexion. The argument that it is, probably rests upon the supposition that the test in *Colls* v. *Home & Colonial Stores* [1904] A.C. 179, which is based wholly upon a consideration of the *quantum* of light remaining, is exhaustive. That proposition is negatived by the exclusion from such estimate of obstructible light—that is to say, in the words of Lord LINDLEY in the *Colls Case*, " light to which a right has not been acquired by grant or prescription, and of which the plaintiff may be deprived at any time." What, however, is the position when light has been derived for the requisite period from two sources? Can one dominant owner build upon his land so as to obscure the light just short of the " nuisance " point posited in the *Colls Case*, and so prevent another from building to the height which would have been possible had a common altitude been observed? A dominant owner is not entitled, by altering his building, to increase the burden of the easement over the servient tenement (see *News of the World* v. *Allen Fairhead & Sons* [1931] 2 Ch 402, and cases 76 SOL. J. 262). Can one servient owner act so as to increase the burden upon another? If the *Colls* test is the sole criterion he could. Provided sufficient light remained as there required, no cause of complaint would arise. It would be a question of " first come, first served "—an adage quoted in support of the obstructing party in the *Sheffield Case* now being considered. MAUGHAM, J., however, pointed out that the adoption of such a view would lead to great difficulty and injustice. On this footing a servient owner might well be prevented from building at all. His lordship indicated that the Prescription Act, which provided a new method of obtaining a right to light, did not alter the nature of the right, and in reference to a supposition that the building in question was lighted by windows overlooking Blackacre and Whiteacre, each an open space, is reported to have said the proper view was that the owner of Blackacre could build to such a height as, with a similar building by the owner of Whiteacre, would leave a sufficient light for the Masonic Hall. The obligations of the two owners were the same; neither had a greater obligation than the other in the simple case which he (his lordship) was considering. That seemed to him to solve the problem before the Court. The facts are not very fully set out in the report, which will doubtless be amplified in due course, but it is clear that the question here discussed was raised in respect of one of the rooms under consideration of which the learned judge said it was a mistake to suppose that, having regard to the very large amount of light that was coming over Eyre-street to the eastern windows of room 1, the defendant corporation was entitled to build as high as it pleased on the other side of Surrey-street. He thought that proposition went too far, and must be qualified so as to preserve the rights of the owners of the premises on the other side of Eyre-street to the reasonable utilisation of their land. An injunction was not asked for, and damages awarded in respect of a building which infringed this principle were assessed by the Court at £750. It is interesting to observe, in conclusion, that had the question arisen in respect of one window (or possibly a series facing in the same direction), the application of the principle adopted would have involved a resuscitation of the " cones and pencils of light " of which much was heard before the *Colls* decision had rendered their consideration superfluous in ordinary cases where only one servient owner was involved.

Company Law and Practice.

CXXVII.

BONA VACANTIA.

THE Companies Act, 1929, made, by s. 296, a considerable change in the law relating to the property of dissolved companies, and the provisions which effected that change, together with the earlier law on the subject, I have already dealt with in this column, and I do not propose to test the patience of my readers by referring to it again at any length. A recent decision, however, prompts a further mention of the subject, as a necessary penalty of attempting to keep up to date with one's law. This decision is *Re Sir Thomas Spencer Wells: Swinburne-Hanham* v. *Howard* [1932] 1 Ch. 380, and, though it is primarily concerned with events which took place long before the passing of the Companies Act, 1929, the incidence of s. 296 is discussed. The facts of the case are such as would lead one to suppose that the decision is one for the conveyancer alone—but this is not so, and in any event—to paraphrase a famous remark by a celebrated Chancellor of the Exchequer—we are all conveyancers now, though no doubt my readers are accustomed to turn to another part of this journal to obtain their light and leading on that intellectual pastime.

The testator's will contained an investment clause which authorised the investment by the trustees of property subject to the trusts of the will in, amongst other investments,

freehold, copyhold, leasehold and chattel real securities in Great Britain; and in pursuance of the provisions contained in that investment clause his trustees, by a mortgage dated 31st October, 1899, invested the sum of £4,325 on a mortgage of three under leasehold properties then vested in a company for ninety-nine years from 24th June, 1868, less the last three days. This mortgage contained a covenant for the payment of the principal and interest thereby secured, and also an assignment of the company's interest in the properties for the whole of the unexpired underleasehold terms. By a special resolution duly confirmed on the 7th April, 1910, the company resolved upon a reconstruction by a sale of its property, and a transfer of its liabilities, to a new company, and upon the voluntary liquidation of the company, and appointed a liquidator. In July, 1913, the mortgagees called in the mortgage moneys by notice to the liquidator, but payment was not made, and in December, 1913, the mortgagees appointed a receiver. This receivership was not, at that time, of any assistance to the mortgagees, because the balance of the rents and profits of the property, after keeping down the proper outgoings, was not large enough to pay the whole of the interest due under the mortgage.

In this unhappy state of affairs the company was dissolved, the dissolution actually taking place, in accordance with the provisions of the Companies (Consolidation) Act, 1908, on the 24th May, 1916. It had never in fact been reconstructed, nor had its assets been transferred to any other company, and, at the time when the dissolution took place the liquidator had formed the opinion that the equity of redemption was of no value; so that the dissolution took place with the equity of redemption, such as it was, still in the company, and with a considerable sum owing to the mortgagees for interest. The receiver continued to receive the rents after the dissolution, but a change gradually came over the property, and it began to produce income largely in excess of the amount required to keep down interest under the mortgage, so that in a few years the arrears of interest were discharged, and a balance began to accrue in the hands of the receiver. In these circumstances, it naturally became a matter of some moment to determine who was entitled to the equity of redemption; and there seemed to be two alternatives—either the mortgagees were entitled, or the Crown was entitled as *bona vacantia*—and accordingly a summons was taken out to determine the point. It seems to have been admitted that s. 296 of the Companies Act, 1929, which now regulates the vesting of property belonging to a dissolved company immediately before its dissolution, is not retrospective in its operation, and did not apply to the case under consideration—at any rate, FARWELL, J., held that such was the case, and therefore the matter fell to be determined under the old law.

Now the case which reviews the authorities and summarises the law on the subject, as it used to be, is *Re Higginson & Dean* [1899] 1 Q.B. 325; and the effect of that case may be shortly stated by saying that the Crown may become entitled to property as *bona vacantia*, but only if that property is held by the person from whom it is claimed upon trust for some person or legal entity which has ceased to exist. Thus, if a person holds property on trust for a company, and that company is dissolved, the trusts fail, and the Crown steps in and takes as *bona vacantia*. *Re Higginson & Dean* was a simple case where a company which had proved in a bankruptcy was dissolved; and an asset belonging to the bankrupt was discovered subsequently to the dissolution and turned out to be valuable, with the result that the trustee in bankruptcy held a portion of the proceeds of realisation of that asset, or would have held such portion, had the company been still on foot, on trust for the company; a Divisional Court, consisting of WRIGHT and DARLING, JJ., held that the Crown was entitled as *bona vacantia*, but solely on the ground that the money was held by the trustee in bankruptcy on trusts which had failed.

Accepting this decision as applicable in *Re Wells*, *supra*, it will be seen that the material question to be there decided was whether the mortgagees held the equity of redemption on trust for the company. Put quite simply in that way, it may be said that it is difficult to see how it could even be argued on behalf of the Crown that the Crown took as *bona vacantia*, and it is not without interest to observe that, in the long and interesting report of the argument put forward on behalf of the Crown, no mention is made of *Re Higginson & Dean*. How can it be said that a mortgagee is a trustee of the equity of redemption for a mortgagor? The equity of redemption is a right which is vested in the mortgagor, and not in the mortgagee at all; and it seems reasonably clear that, in order that a person shall be a trustee of property, that property must be vested in him. Of course, as FARWELL, J., points out in his judgment, a mortgagee may be a trustee for the mortgagor, as, for instance, in a case where he sells under his power of sale, and has a surplus in his hands after payment of principal, interest and costs. It follows from this that, had the mortgagees sold before the dissolution of the company, and retained the surplus realised, the Crown would now have been entitled to it; but there are, of course, two answers—the first that, at that time, a surplus could not have been realised because the property was not worth it, and secondly, that, if it had, the company would not have been dissolved without being paid that surplus. On the ground, therefore, that the mortgagees were not trustees of the equity of redemption, the learned judge decided against the contention of the Crown.

But he also so decided on another ground, namely, that, on the dissolution of the company, the legal entity which had previously been entitled to redeem had ceased to exist, and that therefore the mortgagees held the term free from any such right to redeem. It will be remembered that this was a mortgage by assignment, and not, as is more usual, by sub-demise, but it is submitted that the same principles would apply, though the mortgagees could not get in the outstanding few days, which would apparently, on the authority of *Hastings Corporation* v. *Letton* [1908] 1 K.B. 378, vest in the superior lessor. Had the dissolution taken place after the coming into operation of the Act of 1929, s. 296 (which refers to "all property and rights whatsoever vested in or held on trust for the company immediately before its dissolution") would have given the equity of redemption to the Crown as *bona vacantia*, and an interesting decision avoided.

(*To be continued.*)

A Conveyancer's Diary.

Abatement of Annuities and Pecuniary Legacies.

I have recently had to consider a question with regard to the position which not infrequently arises where a testator directs his trustees to set aside a sum to answer an annuity and also bequeaths a number of legacies. The estate is insufficient for the purpose as the testator intended it to be carried out. If the legacies are paid in full, the residue will not, by the resulting income, yield enough to pay the annuity and even though (as generally happens) there is power to resort to capital, it is by no means certain that the available funds will last out.

It may be, however, and so it was in the case which I have in mind, that by purchasing a Government annuity, there will be sufficient left to pay the legatees in full, and even to leave a surplus for the residuary legatees.

Now, there can be no doubt that annuities are to be regarded as legacies, and in case of a deficiency must abate with the other pecuniary legacies. It is also clear that the annuities and other pecuniary legacies must be paid in full before any payment is made to the residuary legatees.

That being so, the question arises, what should be done in such a case as that which I have mentioned?

It was laid down in *Wright* v. *Callender* (1852), 2 De G.M. & G. 652, that where there is a gift to an annuitant with a direction to set aside a fund to answer the annuity and the annuity is payable out of capital as well as income and there is a gift over of the residue, the right of the annuitant is to have the directions of the testator carried into effect, and that if the estate is not sufficient to pay the annuity in full, he is entitled to have the deficiency made up out of capital, but he must take the estate as it stands and is not entitled to have the value of the annuity paid over to him. It was also decided that when the question is one not simply between an annuitant and the residuary legatees, but between an annuitant and pecuniary legatees, and the estate is insufficient for the payment of the annuity and the pecuniary legacies, then where there is a direction in the will to set apart and invest a sufficient sum to answer the annuity, the course adopted by the court is to value the annuity as at the date of the testator's death, to treat the amount of the valuation as a legacy and to make it abate in its due proportion and to pay the abated amount to the annuitant.

The case which I am considering is not, however, quite covered by *Wright* v. *Callender*, which is the leading authority on the subject of abatement of annuities with pecuniary legacies.

An authority which is more directly in point is *Re Cottrell: Buckland* v. *Bedingfeld* [1910] 1 Ch. 402.

The facts in that case were that a testatrix by her will, after giving certain pecuniary legacies, bequeathed to her husband an annuity of £1 a week during his life and directed her trustees to appropriate and set apart and invest such sum of money as would when invested produce by the income thereof an annual sum equal to the amount of the annuity and to apply the income or (if necessary) the corpus of the fund so appropriated in payment of the annuity, which sum should on the dropping of the annuity fall into and form part of her residuary trust estate. And she devised and bequeathed the residue of her real and personal estate to her trustees upon trust for sale and conversion and payment of her debts and funeral and testamentary expenses and legacies and to invest the moneys which should remain and to hold the investments upon certain trusts for the benefit of her son. The estate of the testatrix was insufficient to pay the pecuniary legacies and to set apart a sum sufficient to produce by the income thereof the annuity to her husband in full.

It was held by Warrington, J., that the proper course for the trustees to adopt was to value the annuity as at the date of the death of the testatrix according to the government scale and to pay the amount of such valuation to the annuitant or invest it in the purchase of an annuity, as he should choose, and to pay the pecuniary legacies in full.

It was contended that such a disposition of the assets was unfair to the residuary legatees, and that the proper method was to value the annuity and treat it as a legacy and make it abate with the other pecuniary legacies.

If that were done, as the learned judge pointed out, then three courses were possible; either (1) the annuitant would receive the income of the abated fund, or (2) he would receive his annuity in full out of both income and capital, or (3) by some intricate calculation he would receive out of income supplemented by capital a yearly sum abated in proportion to the actual abatement of the pecuniary legacies.

Whichever of those three courses was adopted, an injustice would be done to the pecuniary legatees, who would only be paid an abated sum, to the advantage of the residuary legatees. All three would be an injustice also to the annuitant who in case (1) would not be paid the full amount of his annuity, and in cases (2) and (3) would be at the risk of the capital being exhausted before his death.

Pecuniary legatees and annuitants are entitled to be paid in full in priority to residuary legatees, and any method of dealing with the estate which will accomplish that end ought to be adopted, although it may not be that which the testator has indicated. The main object of the testator is that the annuitant and the pecuniary legatees shall be paid in full and if that cannot be accomplished (as the testator desired) by setting aside a fund to answer the annuity by the income thereof at the date of appropriation then the main object must be effected in some other way.

It will be noticed that in such a case the annuitant is entitled to be paid the value of the annuity. That would have been so if the testator had directed an annuity to be purchased. In both cases the annuitant is the only person having any interest in the amount of the price of the annuity which is definitely taken out of the testator's estate.

That, however, would not be the case if the annuity were determinable in the lifetime of the annuitant.

Thus, in *Re Dempster: Borthwick* v. *Lovell* [1915] 1 Ch. 795, a testatrix bequeathed a pecuniary legacy and two annuities and directed that her trustees should provide for them by setting aside and appropriating a portion of her estate sufficient to answer them by the income thereof; that until such appropriation the annuities should be paid out of her residuary estate; and that upon cesser of an annuity a proportion of the capital so set aside and appropriated should sink into and form part of her residuary estate. She also declared that neither annuitant should be allowed to have the value of the annuity in lieu thereof, and that if the annuitant should do or suffer any act or thing whereby the annuity should be assigned, charged or incumbered, the annuity should thenceforth cease to be payable. The testatrix gave her residuary estate in trust for other persons. The estate was sufficient to pay all the pecuniary legacies in full and to provide sums enough to purchase annuities of the amounts given by the will, but was not sufficient to pay the legacies in full and to provide two funds sufficient by their income to pay the annuities in full.

It was held by Sargant, J., that the principle of *Re Cottrell* must be applied and the pecuniary legacies paid in full, but that the value of the annuities could not be paid to the annuitants, but must be invested in the purchase of annuities determinable as mentioned in the will. On this point the court followed *Carr* v. *Ingleby* (1831), 1 De G. & Sm. 362n.

I may add that *Re Cottrell* was in terms approved in *Re Dempster* and also in *Re Richardson: Richardson* v. *Richardson* [1915] 1 Ch. 353.

Landlord and Tenant Notebook.

Covenants Restricting User of Shops.

Tenants of shops are generally under covenants which limit the variety of the goods they may sell. Some leases contain covenants against carrying on specified trades; in others, the covenant obliges the tenant not to use the premises for any other purpose than that of his own specified business. In either case problems of demarcation are likely to arise, with the result that a learned judge of the Chancery Division may have occasion to make such a remark as: "Hosiers frequently deal in many articles which few people would regard as hosiery" (Joyce, J., in *Wartski* v. *Meaker*, *infra*) and even the authority of a judge of the Court of Appeal may be invoked in support of a contention that "a hosier's business is one thing, the business of a ladies' outfitter is another." (Bowen, L.J., in *Stuart* v. *Diplock*, *infra*.)

But while such questions appear at first sight to be purely questions of fact, a point which has troubled the courts has been whether a covenantee can complain when a tenant deals in a few articles which are mainly stocked and sold by retailers belonging to other and prohibited trades. The defence in these cases will usually be that the trade complained of is "incidental" to a trade authorised, to which the

reply will be that it is "ancillary," and it will be seen that the authorities fall into two groups, so that the question which a practitioner should ask himself when confronted with one of these problems is: Is this a case like *Buckle* v. *Frederick* or is it like *Stuart* v. *Diplock*?

In *Stuart* v. *Diplock* (1889), 43 Ch. D. 343, C.A., the plaintiff was (or, for the purposes of the decision, was assumed to be) entitled to the benefit of an undertaking by the defendants not to carry on the business of a ladies' outfitter, which she carried on next door. The defendants called themselves "fancy drapers and hosiers," and Kekewich, J., after hearing a great deal of expert evidence from representatives of well-known West End Houses, found that the two shops sold four kinds of articles in common, and granted an injunction. His decision was reversed on appeal; Bowen, L.J., after making the pronouncement cited in my first paragraph, accepted the argument of the appellants' counsel that Kekewich, J.'s reasoning was as follows: "All ladies' outfitters sell combinations—the defendants sell combinations—therefore the defendants are ladies' outfitters." (The fallacy of "Undistributed Middle.")

But in *Buckle* v. *Frederick* (1890), 44 Ch. D. 244, the Court of Appeal upheld Kekewich, J., in granting an injunction against the lessee of a theatre who had acquired adjoining land which was subject to a restriction against trade in wine, spirits and beer, and on which he had built an extension to this theatre, the extension including a bar.

So when in *Fitz* v. *Iles* [1893] 1 Ch. 77 C.A., the plaintiff complained of the serving of tea and coffee and light refreshments by tenants whose covenants prohibited them from using the premises for any other business than that of a tea and coffee dealer, the question was which of the two above-mentioned authorities applied. The plaintiff, a coffee-house keeper, said the defendants were using the shop as a coffee-house; the defendants argued that they were merely giving their customers an opportunity of sampling their wares. The Court of Appeal held that the supplying of cups of coffee and tea, accompanied by eatables, was an "ancillary" trade. And in *Errington* v. *Birt* (1911), 105 L.T. 373, the tenant of premises who was under a covenant not to use them otherwise than as a restaurant was held to have committed a breach by carrying on a fried fish shop, some customers consuming their purchases on, and others off, the premises. There might, as Avory, J., observed, well be a fish restaurant, just as there was such a thing as a vegetarian restaurant, but if some 50 per cent. of the customers took the food away with them the description would not apply. The more recent case of *Lorden* v. *Brooke-Hitching* [1927] 2 K.B. 237 is, on the other hand, an example of the *Stuart* v. *Diplock* principle; a sub-tenant of premises on the Westminster estate was under a covenant that the premises should not be used for the trades of an alehouse keeper, beerhouse keeper, tavern keeper and licensed victualler; he carried on a restaurant, and obtained a conditional licence, under which no bar was allowed and alcoholic refreshments were to be served only with *bonâ fide* meals, and it was held that the covenant had not been infringed.

The utmost care must of course be exercised in choosing words when drafting a covenant of this kind; and if the lease is to be a long one, possible changes in the meaning of the word may be taken into consideration. In *Wills* v. *Adams* (1908), 25 T.L.R. 85, the question arose whether "the business of a draper or dealing in drapery goods" covered the selling of fur-lined goods, and a good many expert witnesses were prepared to say that drapers often dealt in such goods and considered dealing in them part of their ordinary business. But the lease dated from 1865, and though the word "draper" had then long since lost its original meaning—that of a *manufacturer* of woollen goods—the contention that it would cover trade in furs was absurd. Further, harm may be done by over-elaboration; the covenant in *Wartski* v. *Meaker* (1914), 110 L.T. 473, prohibited the use of the premises in any way except for the purposes of a hosier or hatter and mercer, "including the sale of fancy waistcoats and mackintoshes," and when the tenants attempted to justify the sale of raincoats, sports jackets and flannel trousers as being goods usually sold by hosiers (indeed, according to some of their witnesses, umbrellas and trunks were hosiery) the failure to specify such articles when the waistcoats and mackintoshes had been expressly mentioned showed that they had not been regarded as included. In the one case too little, in the other too much, had been said.

The L.T.A., 1927, s. 19 (3) gives some tenants, i.e., those whose covenants provide for consent, some advantage, by depriving the landlord of the right to demand a fine or similar payment for giving consent; but he is entitled to reasonable compensation for any reduction in the value of the premises or of neighbouring premises belonging to him. This sub-section applies only when no structural alteration is necessary.

Our County Court Letter.

SEVERABILITY OF RESTRICTIVE COVENANTS.

In the recent case of *Holt* v. *Sherlock and Another* at Derby County Court, the claim was for damages and an injunction in respect of the breach of a contract, whereby the defendant had agreed to serve as an advertisement artist for three years from May, 1929, and not to engage with a similar firm within forty miles for five years after leaving the plaintiff's employ. The defendant left in January, 1932, and entered the employ of a firm managed by another ex-employee of the plaintiff, but the defendant contended that the contract had already been broken by the plaintiff, who had refused a reasonable advance of wages. His Honour Judge Longson awarded £15 damages against the first defendant and granted an injunction against his working (prior to the 1st May, 1932) for the second defendant, who was also restrained from employing the first defendant. Judgment was given in favour of the defendant, however, as regards the forty-mile radius agreement.

THE ENFORCEABILITY OF PRINTED CONTRACTS.

The issues for the jury were put in the form of questions in the recent case of *A.C. Machines, Ltd.* v. *Davies* at Leominster County Court, in which the claim was for £25 (being the balance of the price of a "Tempo" automatic football machine), and the counter-claim was for rescission on the ground of fraud of the plaintiffs' traveller. The defendant had signed a written agreement, and admitted seeing the words in red ink: "No machines left on trial," but his case was that he did not buy the machine, which was taken for a month on approval. His Honour Judge Roope Reeve, K.C., asked the jury: (1) Was it verbally agreed that the defendant was to have the machine for a month on trial, or approval, with an option of returning it? (2) If yes, did the defendant think the "order form" embodied those terms, and, if so, was he negligent in so thinking? Or was the defendant's execution of the document obtained by fraud or trickery? The jury answered all the questions in the affirmative, except with regard to the word "fraud." Each side thereupon applied for judgment, but it was held that, on the above findings, the verbal agreement prevailed and the counter-claim succeeded. Judgment was therefore given for the defendant, with High Court costs to the date of remission.

A contrary result had previously been reached at Rugby County Court in *A.C. Machines, Ltd.* v. *Bragg*, in which the plaintiffs relied upon a written agreement, but the defendant's case was that (1) he had only agreed with the traveller to take the machine for a month on trial; (2) he had paid a deposit of £1 towards the total cost of £26, but the latter was

(*Continued on page 303.*)

to be paid by instalments, viz., half the takings of the machine, the other half to be kept by the defendant; (3) he had signed a paper on the fraudulent misrepresentation that it was a mere acknowledgment of the delivery of the machine. This document was produced on behalf of the plaintiffs, however, and proved to be on a slip of paper—quite distinct from the formal agreement also signed by the defendant. His Honour Judge Drucquer held that the defendant had read and signed the agreement, and judgment was therefore given for the plaintiffs, with costs. The defendants in four other cases submitted to judgment, orders being made for payment by instalments of £2 1s. 8d. a month. See the "County Court Letters" under the above title in our issues of the 23rd January, 1932, and 20th February, 1932 (76 SOL. J. 62 and 125).

PRECAUTIONS FOR YACHTSMEN.

The decision in *Sullivan* v. *Constable* (76 SOL. J. 166), lends interest to the recent case of *Daniels* v. *Lloyd* at Clerkenwell County Court, in which the claim was for £19 19s. 7d. for rigging and fittings. The plaintiff was a maker of model yachts, which had won world trophies, but (although the defendant's son had won several prizes at regattas with yachts made by the plaintiff) it was contended that the yacht in question (*a*) was not water-worthy on delivery; (*b*) had a storm sail too small for successful sailing on Llandudno Pond. His Honour Judge H. J. Rowlands held that (*a*) on despatch from Euston the yacht was in good and watertight condition, any damage being sustained after it had left the plaintiff's possession; (*b*) the mainmast, being 6 feet in height, was satisfactory. Judgment was therefore given for the plaintiff, with costs. See a "Current Topic" under the above title in our issue of the 18th August, 1928 (72 SOL. J. 549). The judgment in the first-named case, *supra*, has since been upheld in the Court of Appeal (*The Times*, 16th April, 1932).

Correspondence.

A Jury Mystery.

Sir,—I was paid a nice compliment the other day, when a friend called to see me and said that he had been summoned to serve on a traverse jury, and the compliment was in his statement to me that he did not know what on earth traverse jury meant, so "I came to you as I knew you would know"! I was sorry to have to profess absolute ignorance of any such jury or that I had even heard of such. I suspected at first my friend had made a mistake in the name, but later he verified it by a reference to the summons itself. After some forty years' experience in the law and its effects, I was not satisfied to let the matter remain a mystery. I referred in turn to several possible books of reference, but was unable to find any meaning of the term. Knowing that many jury matters are dealt with in the Crown Office, I called to see some of my friends there, and much to my satisfaction they knew no more of traverse jury than myself. The matter had been recently mentioned to them and they were sufficiently interested to promise to delve into the matter. Later, I went to see our friend Mr. Thomas, the Chief Associate. I felt sure that here we should find out all about it, but when I did see him, I was again very satisfied that he had not been able to find any explanation of the traverse jury. Talking it over with him, I told him I would go to Clerkenwell or the Old Bailey to see what they knew about it, and he politely suggested the Old Bailey as Clerkenwell might be a wasted effort these days. So to the Old—or New—Bailey I went and interviewed the authority there who we all know and have known for many years, and put to him the gentle question: "Would you please tell me what is a traverse jury?" He repeated the question, and I was again satisfied with my ignorance in the matter when I saw at once that he knew just as much as any of us, although the summonses were issued from his office. However, he did tell me to advise my friend to take no notice of the word "traverse," as it meant nothing. I was now hot on the trail, and felt I could not let this pass, so I asked him: "But what is a traverse jury," and he told me he did not know. He admitted the issue of the summonses, but except as a summons it had no significance, the name "Traverse" printed at the heading of the summons probably referred to an ancient form of jury where the proceedings were probably traverse, just the same as pleadings are traversed at common law, but if so, it had long since fallen into disuse, and the memory of man evidently does not go back far enough to explain it.

Since my excursion to the Crown Office and Old Bailey, I have put the question to many of my friends, both solicitors and barristers, practising at common law and criminal sides, but with no result; finally I met one of our learned reformers, and asked him if he found he had to charge a traverse jury, what would he do—he admitted that he did not know and asked me what I meant. I explained so far as I could to him, but he admitted he had never heard of such a thing, so I felt quite satisfied in being able to explain to him what a traverse jury is—so far as I could.

It may be that some of your readers have heard of this jury, and know all about it, if so it would be interesting to many parties as well as to me. I am afraid the result of my investigations will result in another of our ancient customs disappearing in the near future, when the jury summonses are re-printed, so far as the "traverse" jury is concerned.

London, S.E. D. E. E.
21st April.

The French Judicial System.

Sir,—In my letter of the 26th January, 1932, I omitted to mention a difference between English and French procedure which is often a source of serious misunderstanding on both sides of the Channel.

Under French procedure, if the defendant does not enter an appearance and judgment is given by default, such defendant may at any time, until execution of the judgment, enter opposition to it, whereupon the case is heard as the French say "*contradictoirement*." All the defendant loses by his default is the judicial fees.

THOMAS BARCLAY.

60 Rue St. Lazare, Paris.
25th April.

Reviews.

The Carriage of Goods by Sea Act, 1924. By A. J. HODGSON, M.A., LL.B., of the Inner Temple and the Northern Circuit, Barrister-at-Law. 1932. Crown 4to. pp. v and (with Index) 84. Liverpool: "The Journal of Commerce," 10s. 6d. net.

This is a new book on the Carriage of Goods by Sea Act, 1924, as we have already Mr. Temperley's and Mr. Cole's books, and, as Sir Norman Hill points out in his interesting foreword, it arrives at an opportune time in view of the important judgments of Lords Atkin and Macmillan in *Foscolo Mango* v. *Stag Line*, 48 T.L.R. 127, as to the method of interpreting and giving effect to the Act, which, as is well known, represents an international bargain between the various interests concerned with bills of lading. Mr. Hodgson sets out the results of the cases decided on the Act during the seven years of its existence—not many, unfortunately, from the legal point of view—and attempts, along the lines indicated in *Foscolo Mango* v. *Stag Line*, the determination of the various points which are still uncovered by authority. One of the most interesting features of the book is the specimen

bill of lading, which is very fully annotated. There is a list of foreign cases (American and Belgian and French) and quite a good index, although one notices one or two unimportant errors in the text. Although by no means a text-book for the legal practitioner, it is a book, on a subject of much practical importance, which is short, interesting and not difficult to follow.

Notable Trials. Difficult Cases. By R. Storry Deans, of Gray's Inn, Barrister-at-Law, Recorder of Rotherham. 1932. Demy 8vo. pp. vii and (with Index) 232. London: Chapman & Hall, Ltd. 12s. 6d. net.

Here is no commonplace réchauffé of State trials, but an extremely original work. It can be read as rapidly as a novel for entertainment or as carefully as a text-book for its analytical treatment of the evidence and points of law involved in the six cases discussed. Four of these are within living memory, one belongs to the eighteenth, and one to the seventeenth century. On the whole, it is in dealing with the last mentioned—the trial of "Free-born John" Lilburne—that the author is at his best in wit and criticism. One must therefore regret his choice in regard to the four modern cases. The stories behind them are sordid and even gruesome—Macrae dismembering his mistress in a bacon warehouse; Reid shooting his on a lonely road near Southend; Ball sexually assaulting, murdering and trussing in a sack the middle-aged sister of his employer; and finally, the dismal story of Bywaters and Mrs. Thompson. What materials! Yet the author has a touch both light and learned, and while such cases might have been pointlessly disgusting in other hands, in his they are raised above the ordinary.

A Guide to the Import Duties Act, 1932. By V. R. Aronson, M.A., B.C.L., of the Inner Temple, Barrister-at-Law. 1932. Demy 8vo. pp. vii and (with Index) 88. London: Stevens & Sons, Ltd. 5s. net.

Within a reasonable compass the learned author gives adequate consideration to an infant barely out of its swaddling-clothes, an infant which may later prove somewhat refractory. The subject-matter of this book may require a more extended treatment in the near future. The book is, however, well planned. The Act is taken section by section, each section being garnished with notes and cross-references. Section 10 of the Finance Act, 1901, might have been considered more fully. The learned author has every justification for hoping that the book will prove useful.

Voluntary Liquidation under the Companies Act, 1929. By Herbert W. Jordan and R. J. Blackadder, C.A. 1931. Royal 8vo. pp. xxiv and (with Index) 226. London: Jordan & Sons, Ltd. 10s. net.

This is a helpful little book for those, whether of the legal profession or not, who have to concern themselves with the voluntary winding up of companies.

The question of the statutory declaration of solvency which, under s. 230, the directors are empowered to make, is discussed, and the difficulties which have arisen in connexion with it are mentioned; while it is disclosed that the Registrar has allowed a letter, apparently intended to qualify the statutory declaration, to be placed on the file, and that thereafter a winding up which was previously a members' winding up, has been carried on as a creditors'. The difficulty which this practice is designed to meet is, however, a difficulty which arises from the wording of the Act, and it is not easy to see how any attempt to get round the express statutory provision can be justified. The Act says that, where such a declaration is made and filed, the winding up shall be a members' winding up; all the declaration requires is an honest statement of opinion, and, if that opinion turns out to be mistaken, why should that justify what amounts to a tampering with the Act? It is, however, obvious that the question needs consideration, and the authors have done a service by calling attention to it.

I think that the value of the book would be much enhanced by an amplification of the paragraph headed "Relations with landlords," for it is very desirable that a liquidator should have some knowledge of the question of "beneficial occupation," by means of this knowledge judiciously applied, he may be able to save his creditors much. In connexion with the relations of the liquidator with a receiver, it might have been well to mention fraudulent preference, for though a mention is made of it later in the book, it is a matter which not infrequently has to be considered in connexion with debentures.

Books Received.

Some Phases of Fair Value and Interstate Rates. By James Barclay Smith, J.S.D., Professor of Law in Louisiana State University. 1931. Baton Rouge: Louisiana State University Press.

Perplexing Points in Executorship Law. By Edward Westby-Nunn, B.A., LL.B., of Lincoln's Inn, Barrister-at-Law. 1932. Post 8vo. pp. viii and (with Index) 75. London: Macdonald & Evans. 2s. 6d. net.

All books acknowledged or reviewed can be obtained through The Solicitors' Law Stationery Society, Limited, London and Liverpool.]

Obituary.

Sir Adrian Knox.

Sir Adrian Knox, formerly Chief Justice of the High Court of Australia, died at Sydney on Tuesday, the 26th April, in his sixty-ninth year. Educated at Sydney, Harrow, and Trinity College, Cambridge, he was called to the Bar by the Inner Temple in 1886. He returned to Australia the same year, and was called to the New South Wales Bar, taking "silk" in 1906. He served in Egypt during the war, and on his return in 1919 he was promoted from the Bar to be Chief Justice of the High Court. He was made a Privy Councillor in 1920, and K.C.M.G. in 1921. Sir Adrian resigned from judicial office in 1930.

Mr. C. Lord.

Mr. Charles Lord, of Buxton, retired solicitor, died at Old Colwyn recently at the age of eighty-two. He was admitted a solicitor in 1875, and practised with his father in Ashton-under-Lyne for many years. Shortly before the death of his father, Mr. Lord entered into partnership with a firm of solicitors in Manchester, afterwards known as Messrs. Hall, Son & Lord. He was with that firm until he retired some time ago.

Mr. T. H. Tilly.

Mr. T. H. Tilly, M.A., solicitor, a member of the firm of Messrs. Turnbull & Tilly, of West Hartlepool, died suddenly at Seaton Carew on Sunday, the 24th April, at the age of fifty-seven. Mr. Tilly was born at Seaton Carew, and was educated at Repton and Pembroke College, Cambridge. He served his articles with his father at West Hartlepool, and was admitted a solicitor in 1899. Shortly afterwards he went into partnership with his father, and in later years succeeded him as Solicitor to the Hartlepools Gas and Water Company, Solicitor to the Hartlepools Port and Harbour Commission, and Clerk to the Pilotage Commission. He was a member of the North-Eastern board of directors of the British Law Insurance Company, Ltd. He was a keen golfer, and was on the committee of the Seaton Carew Golf Club

POINTS IN PRACTICE

Questions from Solicitors who are Registered Annual Subscribers only are answered, and without charge, on the understanding that neither the Proprietors nor the Editor, nor any member of the Staff, is responsible for the correctness of the replies given or for any steps taken in consequence thereof. All questions must be typewritten (in duplicate), addressed to the Editorial Department, 29, Breams Buildings, E.C.4, and contain the name and address of the Subscriber. In matters of urgency answers will be forwarded by post if a stamped addressed envelope is enclosed.

Notices to Admit in Matrimonial Cases.

Q. 2453. A has issued a summons for maintenance against her husband B, on the ground of his alleged desertion. B has in his possession certain letters (1) from A, and (2) from another person C, which together will in all probability prove that B did not desert his wife.

(1) Does the rule as to notice to admit, which is applicable in the county court and the high court, apply in the same way to proceedings in the petty sessions?

(2) If the notice to admit is not given can the letters referred to be put in as evidence under any circumstances, either in cross-examination or by the defendant during his evidence in chief?

(3) Are there any provisions in the Summary Jurisdiction Acts, or allied Acts, as to notices to produce and to admit in matrimonial cases?

A. (1) The practice as to giving notice to admit is the same in petty sessions as in the county court and high court, but from the nature of the cases at petty sessions, there is rarely any occasion to adopt the procedure.

(2) The omission to give notice to admit will not affect the right to use the letters, either in cross-examination of the complainant or by the defendant in his examination-in-chief. The only object of a notice to admit is to save the cost of strict proof (if this is not readily available) and service of a notice to admit will not entitle the defendant to utilise letters which are inadmissible as evidence. In the case given A's letters can clearly be utilised, without notice to admit. Letters from C to B, however, are not evidence against A, and no notice to admit will render them admissible. If the evidence of C is material, C must be called as a witness for B, and A can be cross-examined in regard to the evidence C proposes to give.

Assent—Recovery of Rent Due since the Death but Prior to the Assent.

Q. 2454. A, in whom land was vested in fee simple, as tenant for life under the S.L.A., 1925, died in January, 1931. The settlement came to an end on her death, and a general grant of probate was made to her executors, X and Y. X and Y received the half-year's rent from the tenant of the land in May, 1931. In December, 1931, X and Y assented to the land vesting in B and C in fee simple, upon the trust for sale contained in the will of D, who had predeceased A, entitled beneficially to the land in remainder on the death of A. The rent due in November, 1931, has not been paid. (1) Can B and C sue for it, there being no express assignment of it in the assent? (2) Can B and C distrain for it? Reference is made to *Flight* v. *Bentley* (1835) 7 Sim. 149, and to the Administration of Estates Act, 1925, s. 36 (2).

A. This is a difficult problem, and one on which there seems to be no authority. In the case of distress, the person entitled to distrain is the person in whom the legal reversion is vested: *Lewis* v. *Baker* (1904) 21 L.T.R. 17, such as the lessor (*Serjeant* v. *Nash, Field & Co.* (1903) 19 T.L.R. 510), or an assignee of the reversion for rent which has fallen due after the assignment (*Parmenter* v. *Webber* (1818) 2 Moore 658). Rent reserved by a lease is capable of being recovered by the person from time to time entitled, subject to the term, to the income of the land leased (L.P.A., 1925, s. 141 (2)). It accordingly appears that the whole question turns upon the scope of the provision of the Administration of Estates Act, 1925 (s. 36 (2)), making an assent, in want of the appearance of a contrary intention, relate back to the death. We express the opinion that the relation back justifies a distraint, or an action, by B and C for the November, 1931, rent.

Unstamped Apprenticeship Deed—Liability for Stamp Duty and Penalty as between Apprentice and Master.

Q. 2455. If an apprenticeship deed is not stamped within the proper time, and it is desired to put it in evidence in a court of law upon payment of penalties as provided in Stamp Act, 1891, s. 14, can the apprentice or his next friend recover the stamp duty and the penalty from the master? Only one copy of the deed was executed and this was retained by the master; the deed was signed by the infant apprentice, his father and the master. The question seems to depend on the construction of Stamp Act, 1891, s. 15 (2) (*d*).

A. We do not think so. Section 15, sub-s. (2) (*d*) of the Stamp Act, 1891 (and, indeed, the whole of the sub-section) only relates to certain instruments chargeable with *ad valorem* duty. The apprentice or his next friend will have to pay the duty, etc., if they desire to have the document produced in evidence, and the fact that the document will come from the hands of the other side makes no difference: *Alpe's* "Law of Stamp Duties," 21st ed., p. 41, citing *Doe dem St. John* v. *Hore*, 2 Esp. 723; *Williams* v. *Stoughton*, 2 Stark 292.

Intestacy—Industrial and Provident or Friendly Society—Nomination—Hotchpot.

Q. 2456. A dies in February, 1932, possessed of small personal estate and intestate. He leaves four children. He nominates one daughter as the person to receive money deposited with a co-operative society, and also money due on his death from the Oddfellows' club. Need the daughter bring these sums into hotchpot as either money which, by way of advancement, was settled by the intestate for the benefit of such daughter within s. 47 (1) (iii) of the A.E.A., 1925, or acquired by the daughter under the will of the deceased within s. 49 (*a*) of that Act?

A. We do not think that there is any obligation under A.E.A., 1925, s. 47 (1) (iii), to bring these sums into hotchpot. This statutory provision appears to be directed against sums or property actually received by the child in the life of the intestate, or to which he acquired some title during that period, as contrasted with an interest not received, or to which no title was acquired, until after the death of the intestate. With regard to s. 49 (*a*) of the Act, that provision affects beneficial interests acquired under the will of the partial intestate. If, therefore, a nomination is a will within the meaning of the section, a benefit taken under a nomination must be brought into hotchpot. The definition of "will" contained in the Act (s. 55 (1) (xxviii)) throws no light on the point, and we are not aware of any authority thereon. We express the opinion, however, that the nomination is a special type of testamentary disposition or will and that, accordingly, benefits taken under a nomination must be brought into hotchpot.

Dominant User of Dwelling-house.

Q. 2457. In 1919, A became the tenant of certain premises to be used partly as residence and partly as business premises (shop for sale of general goods) at a rent of 5s. 9d. per week. Two months ago A ceased to sleep in the premises and used

them as business premises, but at the same time he and his family continued to have all meals in the premises but to sleep elsewhere, although there is still a bed on the premises. B has recently bought the property and is trying to force A to purchase. Is the property still protected or does it lose its protection under the judgment in *Hyman* v. *Stewart*, L.J., K.B. 1925, vol. 84.

A. The case of *Hyman* v. *Stewart* (*supra*), is of doubtful authority, since *Haskins* v. *Lewis* [1931] 2 K.B. 1, and *Fordree* v. *Barrell* [1931] 2 K.B. 257. In the present case, however, there is no question of sub-letting the residential portion, and (if the premises were definitely let in 1919 as a residence and shop) the issue is one of law and not of fact. The property is, therefore, still protected under *Hicks* v. *Snook* (1928), 73 Sol. J. 43, and A cannot be forced to purchase under a threat of ejectment.

Administration—When Liability under Bond Ceases.

Q. 2458. A died intestate, leaving a widow and children (minors), and letters of administration were granted to the widow and B. In due course all debts and duties were paid and the estate divided up in accordance with the A. of E.A. The shares of the minors were invested in War Loan in the names of the two administrators and C.D. For the purposes of obtaining letters of administration it was necessary to obtain a bond from an insurance company, and a point has arisen whether the responsibility of the insurance company under the bond has ceased. It is contended on the one hand that the duties of the administrators still remain and will continue until the youngest of the minors attains majority; while on the other hand it is suggested that the administrators and C.D. now hold the investment as trustees, and that therefore there is no necessity to continue paying premiums for the bond.

A. It was laid down in *Re Salomons* [1920] 1 Ch. 290, that an executor could only discharge his liability for an infant's legacy by paying the sum into court or by an order of the court. Section 42 of A. of E.A., 1925, only applies when an infant is absolutely entitled, and an infant is never absolutely entitled under an intestacy unless he or she marries. Moreover, there is a half share of the residue to which the children are contingently entitled subject to attaining full age or marrying in remainder on the widow's life interest. When, however, the estate has been fully administered, as is the case here, the personal representatives become trustees (see *Re Yerburgh*, *Y.* v. *Y.* (1928), W.N. 208, and *Re Pitt*, *P.* v. *Mann* (1928), 44 T.L.R. 371). It is suggested that the administrators should execute a deed reciting the due administration of the estate and of what the residue consists and appointing themselves and C.D. trustees. Appointment must, of course, include the half to which the widow is entitled for life. After such appointment and transfer of investments, in so far as they are not already in their names, it is considered the insurance company would have no claim for a renewal premium.

Surety Joint Covenant Only—Effect of Death.

Q. 2459. A advanced to B £500 upon security of a reversionary interest and an insurance policy. C joined in the mortgage as surety and covenanted jointly with B to pay the interest and the insurance premiums. In the mortgage deed there is a clause providing that without prejudice to any rights of the surety against the borrower as principal debtor the surety should, under the covenant by him therein contained, be deemed a principal debtor and not merely a surety, and accordingly should not be discharged nor should his liability be affected by; any giving of time for payment of principal money or interest; any agreement not to call in principal money before a specified time; substitution of any new covenant to pay; consolidation of mortgages; any transfer of mortgage; any other arrangement or dealings between A and B or the persons deriving title under them; any omission on the part of A or the persons deriving title under him to enforce any covenant or stipulation contained in the mortgage and on the part of B to be performed or observed; any other act or thing or omission or means whereby the liability of C would not have been discharged if he had been a principal debtor. An insurance premium is in arrear. C, unfortunately, has been knocked down and killed by a motor car this holiday. Can A compel the personal representatives of C to maintain payment of principal and insurance premium as the whereabouts of B are unknown?

A. The covenant is apparently a joint and not a joint and several one, and the ordinary rule of law is therefore that the liability survives to the survivor only: *Richardson* v. *Horton* (1843), 12 L.J. Ch. 333. If it is possible to find in the instrument an intention that the covenantors were to be severally liable, a joint covenant may be construed as a joint and several one, but in this case the clause cited merely indicates that the surety is to be regarded as a joint debtor, and does not appear to suggest any several liability on the part of C. It is regretted, therefore, that the opinion must be given that, on the facts stated, there is no right of action against the personal representatives of C. The fact that he was a surety makes no difference: *Other* v. *Iveson* (1855), 24 L.J. Ch. 654.

Scope of Third Party Insurance Policy.

Q. 2460. The X.Y. insurance company issues to A, a 'bus proprietor, a policy fully covering him in respect of damage to a 'bus and the risk generally known as "third party." This 'bus is involved in an accident in which B is seriously injured and the 'bus damaged. That the accident was caused through the negligence of A's servant is not disputed. The company pay A in respect of a claim for the damage sustained to the 'bus. It subsequently came to the knowledge of the insurance company that in the proposal for the policy A withheld material information, which the company contend entitles them to repudiate any liability and avoid all responsibility for B's claim. The information withheld is so material as to make the policy voidable under the common law at the discretion of the company. Section 36 (4) of the Road Traffic Act, 1930, appears to us to have been included in that Act with the express intention of preventing any such repudiation to the detriment of an injured third party, and this view, in our opinion, is strengthened by s. 38 of the same Act. The former section, however, uses the words "Notwithstanding anything in any enactment . . ." The insurance company contends that, whilst it could not therefore rely on an enactment as a ground for avoiding the policy as against a third party, it is not by the section mentioned or otherwise under the Act prohibited from avoiding the policy under common law. Is the company's contention correct, and if so, what is the effect of the section of the Traffic Act?

A. The purpose of the Road Traffic Act, 1930, s. 36 (4), is to exclude the Insurance Act, 1774, which might deprive the third party from benefit on the ground of absence of insurable interest. The object was not to prevent any repudiation, to the detriment of a third party, as suggested in the question. The relevant section is, therefore, s. 38, of which the important words are "after the happening of the event giving rise to a claim." The effect is that the insurance company cannot dispute liability on certain common form provisoes—e.g., that the driver, after the accident, shall hand a recognised token to a witness, to show that he is an authorised driver of the insured under the policy. The company is, therefore, entitled to repudiate liability in the event of some specified thing being done or omitted *before* the happening of the event, such as the omission to disclose a material fact in the proposal form. In the above case, the company has, therefore, a good defence under the policy at common law, and is entitled to repudiate liability to A in respect of any damages recovered against him by B. The company's contention is, therefore, correct, as the section of the Traffic Act is inapplicable to circumstances antecedent to the accident.

Notes of Cases.

House of Lords.

Holder *v.* Inland Revenue Commissioners.

15th April.

Income Tax—Repayment—Bank Overdraft—Guarantors Claim to Relief—Interest Added to Capital—Income Tax Act, 1918, s. 36 (1).

The appellants were interested in a company which for many years had been indebted to its bankers and had given guarantees to the bank to secure the company's debt. From 1920 the company was indebted to the bank and in accordance with the usual custom of bankers the interest on the amounts owing was debited half-yearly to the company's capital account at the bank. In November, 1926, the appellants paid to the bank the sum due on the company's account, that sum being covered by the guarantees given by the appellants. The sum paid was £64,482 odd, of which £16,519 odd represented interest added to the half-yearly rests and £1,341 odd represented interest due on the current half year in which the whole sum was paid. The appellants claimed repayment of income tax under s. 36 (1) of the Income Tax Act, 1918. The Court of Appeal (reversing the decision of Rowlatt, J.) disallowed the claim.

Lord Dunedin, in delivering judgment, said the Court of Appeal approached the case first of all from the point of view of whether the bulk of the half-yearly interests did not lose their quality of interest by having become capital. There was no question that in Scotland it had been so laid down, but it was argued by counsel for the plaintiffs that that was not the law in England. The Court of Appeal however held that it was consonant to English law. That view did not determine the question of the interest for the last half year, which point the Court of Appeal decided against the plaintiffs on the ground that s. 36 did not apply to a guarantor, and he agreed that their judgment was right. He thought that interest payable on an advance from a bank meant interest on an advance made by the person paying. The guarantor did not pay on an advance made to him but paid under his guarantee, his debt was his debt under the guarantee, not a debt in respect of an advance made to him. That disposed of the whole case, and he thought it therefore unnecessary to decide the other and wider question, and he said so because he thought it would be very advisable if that question was to be determined that the bank should be a party to the suit. It must not be inferred from that view that he expressed any doubt as to the judgment of the Court of Appeal on that point. He moved that the appeal be dismissed with costs.

Lord Warrington concurred, and Lords Atkin, Thankerton and Macmillan delivered judgments to the same effect.

Counsel: *Spens*, K.C., and *Cyril King*; *The Solicitor-General* (Sir Boyd Merriman, K.C.), and *Reginald Hills*.

Solicitors: *Peacock & Goddard*, for *Shakespeare & Vernon*, Birmingham; *Solicitor of Inland Revenue*.

[Reported by S. E. Williams, Esq., Barrister-at-Law.]

High Court—King's Bench Division.

Weyerhaeuser and Others *v.* Evans.

Roche, J. 19th April.

Insurance — Accident — Death following Pimple — Staphylococcal Infection—Disease—Exempted from Policy.

In this case the plaintiffs, Maud Moon Weyerhaeuser, widow of Charles A. W. Weyerhaeuser, an American, and his administrators, claimed from Montague Evans, an underwriter at Lloyds, $754 under a policy of assurance dated the 23rd January, 1930. The policy provided that the legal representatives of C. A. W. Weyerhaeuser should receive payment under it if, during the period between the 15th January, 1930, and the 15th January, 1931, he sustained bodily injury by accident which, within three calendar months from the date of the accident causing the injury, directly caused the death of the assured. The assured, with his wife and a woman friend, was on a liner on the 9th February, 1930, proposing to have a trip round the world. A pimple formed in the assured's left nostril, and the friend pressed, squeezed and jabbed it with cotton wool, and thus accidentally caused a break in the tissues. The plaintiffs alleged that through that break virulent bacteria entered the blood-stream. Assured died on the 15th February, 1930. The defendant admitted the policy, which provided, *inter alia*, that: "This policy does not cover death directly or indirectly caused or contributed to by . . . disease or natural causes . . . ; nor does it cover death directly or indirectly resulting from medical or surgical treatment." The question was whether the assured's death was caused by accident or disease, and whether there was medical or surgical treatment. The plaintiffs contended that the death followed an accident, being an injury to the skin caused by the friend when she tried to force out the pus by breaking down the walls of the pimple. The defendant said that the assured's death resulted from natural causes or disease within the exceptions in the policy.

Roche, J., said that in his opinion the plaintiff's case failed because there was no evidence whatever entitling him (his lordship) to come to the conclusion that there was any accident or accidental injury giving rise to the pimple. The assured was subject to spots, and the friend had helped him a hundred times by squeezing them. The cause of the pimple was in the realm of conjecture. He (his lordship) was in the greatest difficulty to see that what the friend had done could have caused injury. The plaintiffs had entirely failed to make out their case. Judgment for the defendant, with costs.

Counsel: *S. L. Porter*, K.C., and *David Davies*, for the plaintiffs; *Stuart Bevan*, K.C., and *Lennox McNair*, for the defendant.

Solicitors: *Parker, Garrett & Co.*; *William A. Crump and Son*.

[Reported by Charles Clayton, Esq., Barrister-at-Law.]

Barker *v.* Wood.

Lord Hewart, C.J., Avory and Macnaghten, JJ. 21st April.

Lottery—Sale of Tickets—No Proof of Existence of Lottery—Proposed Lottery—Lotteries Act, 1823 (4 Geo. 4, c. 60), s. 41—Vagrancy Act, 1824 (5 Geo. 4, c. 83), ss. 4, 21.

Appeal by case stated from a decision of Epsom Justices.

Informations were preferred by Detective-inspector William Barker, of the Metropolitan Police, against Edward David Wood for selling tickets in a lottery not authorised by Act of Parliament, contrary to the Lotteries Act, 1823, s. 41, and the Vagrancy Act, 1824, ss. 4 and 21. The lottery in question was the Irish Free State Hospitals Sweepstake. The following facts were proved or admitted: On the 9th May, 1931, Wood, the respondent, was visited by the appellant Barker, who told him that he was making inquiries about four postal packets which contained forty-four books of counterfoils in the Irish Hospitals Sweepstake on the Derby. The respondent, after being cautioned, replied: "Yes, I sent them. I suppose they have been stopped in the post." The respondent was a man of good character. It was contended for the appellant that the facts proved established an offence against s. 41 of the Lotteries Act, 1823. For the respondent it was contended that the facts proved did not justify a conviction inasmuch as no evidence had been adduced of the existence of a lottery called "The Irish Free State Hospitals Sweepstake." The justices were of opinion that the existence of the alleged lottery had not been strictly proved, and they dismissed the summons.

Lord HEWART, C.J., said that it was quite clear that "tickets in a lottery" meant tickets in a proposed lottery. In the present case the tickets themselves and the letters showed that there was a lottery in contemplation. Appeal allowed and the case remitted to the justices with a direction to convict.

AVORY and MACNAGHTEN, JJ., concurred.

COUNSEL: *Sir Percival Clarke*, for the appellant; the respondent did not appear and was not represented.

SOLICITORS: *Wontner & Sons.*

[Reported by CHARLES CLAYTON, Esq., Barrister-at-Law.]

Payne *v.* Allcock.

Lord Hewart, C.J., Avory and Macnaghten, JJ. 21st April.

MOTOR CAR—LICENCE—SALOON CAR—USED FOR CARRIAGE OF GOODS—HIGHER LICENCE RATE APPLICABLE—FINANCE ACT, 1922 (12 & 13 Geo. 5, c. 17), s. 14.

Appeal by case stated from a decision of the Cardiff Stipendiary Magistrate.

On the 29th July, 1931, at Cardiff, an information was preferred by the respondent, John Allcock, local taxation officer of the Cardiff City Council, against the appellant, Theophilus Payne, under s. 14 of the Finance Act, 1922, charging that he having taken out a licence for a mechanically propelled vehicle under the 2nd Sched. of the Finance Act, 1920, unlawfully used the vehicle for a purpose whereby a higher rate of duty was applicable under the schedule, the higher rate of duty not having been paid before the vehicle was so used. The following facts were proved or admitted: Payne had taken out a licence for a Singer motor car under para. 6 of the 2nd Sched. and had paid the duty chargeable thereon. The car had a rating of 16 h.p., the duty being £16. The car was of the ordinary saloon type, with two seats for passengers, and had not been constructed or adapted for use for the conveyance of goods. Its weight unladen was 23¼ cwt., and the duty, if chargeable under para. 5 (*d*), would be £20. Payne was a greengrocer and florist. On the 21st May, 1931, when he drove the car in Cardiff, the back portion was filled with goods, consisting of vegetables, fruit and boxes of flowers. The magistrate was of opinion that the essence of the offence created by s. 14 of the Finance Act, 1922, was user; that the question of construction or adaptation of the motor car for the conveyance of goods was not an essential ingredient of the offence; and that Payne's car had been used for a purpose which brought it within a class of vehicle to which a higher rate of duty was applicable. He convicted Payne.

MACNAGHTEN, J., giving a dissenting judgment, said that the question was whether this use of a saloon motor car did bring it within the class of "vehicles constructed or adapted for use and used for the conveyance of goods," in which case the duty would be based, not on horse-power, but on weight and at a higher rate. The argument for the appellant was that though the car was used for the conveyance of goods, he was not liable because it was not "constructed or adapted for use" in that way, and that to attract the higher rate the vehicle must be either constructed—originally constructed—or adapted, altered so as to be suitable—for the conveyance of goods. He thought that that construction was right. It seemed to him that, if the conviction were to be upheld any ordinary private motor car which was used for the conveyance of goods would become liable to the higher duty.

AVORY, J., said that he had come to the conclusion that the magistrate was right. In the result, although the effect might be far-reaching, and might produce what the ordinary public would call an absurdity, all that the court had to do was to construe the section.

Lord HEWART, C.J., also delivered a judgment dismissing the appeal.

COUNSEL: *Marriott*, K.C., and *M. A. B. King-Hamilton*, for the appellant; *Trevor Morgan*, for the respondent.

SOLICITORS: *Amery-Parkes & Co.*; *Cecil Brown*, Town Clerk, Cardiff.

[Reported by CHARLES CLAYTON, Esq., Barrister-at-Law.]

TABLE OF CASES previously reported in current volume.

In Lighter Vein.

THE WEEK'S ANNIVERSARY.

Launcelot Shadwell, who was born on the 3rd May, 1779, constitutes an example of legal heredity. His father was a well-known conveyancer who enjoyed a high reputation and an immense practice in Lincoln's Inn. The son, who joined the same Society, made steady progress by means of talents which were solid rather than brilliant, and finally rose to be Vice-Chancellor of England. This office, which he was the last to hold, he enjoyed till his death twenty-three years later. Good-natured and cheerful in person, he was a careful and sound judge, anxious both to decide correctly and to satisfy the Bar that he had done so. His only judicial fault was a certain subservience to the advocacy of Sir Richard Bethel, subsequently Lord Westbury, L.C. Outside the legal sphere, he was president of the Society of Psychrolutes, the qualification for membership being a daily bathe out of doors

from November to March. Water was almost his natural element and every day he swam in one of the creeks of the Thames near his home at Barn Elms. Once he granted a vacation injunction while immersed in the river.

DISTINCTIONS IN DEFAMATION.

Recently Lord Justice Scrutton recalled how the most eminent commercial judge of his time "held that where a man called another 'a damned thief,' in a public-house, it was not capable of defamatory meaning." Thereupon, a learned leader observed that he could well understand a commercial judge thinking it a compliment. Mr. Justice Day also excused the use of the same forcible expression. During a case at the Leeds Assizes, it was deposed that the defendant had called the plaintiff "a damned thief." The defendant's counsel then intervened with the correction: "A damned thief of a lawyer, my lord." "That addition" remarked the judge calmly "renders the saying perfectly innocuous."

COUNTING THE COST.

An Australian judge in summing up a breach of promise case recently remarked that "a law court has no scale to work on in fixing the value of a broken heart," and that it is largely a question of guesswork. Much the same principle was elaborated by Lord Darling in his amusing parody of the judicial style of Lord Esher, M.R. "Now the learned counsel says there are no particulars . . . I don't know what he expects. He can hardly want a list of regrets at so much a dozen, misery at 5s. per hour, let us say, or an account of the number of tears or pints of 'em that the plaintiff has shed over this business, the whole to be paid for at so much for the lot with a reduction perhaps on account of the defendant's taking a large quantity." On the whole guesswork is preferable.

AGREEMENT.

Had the Court of Appeal sustained a recent attempt to set aside a verdict because some jurors protested, after the trial, that they had not agreed, the jury system might have collapsed. Could it have survived the resulting revelations of post-judicial inquiry into the realities underlying the impressive unanimity reached by the vast majority of juries? Some of the secrets which have leaked out give a curious idea of the process of agreement. Montagu Williams, Q.C., had an astonishing story about a client of his who was quite undeservedly acquitted at the Old Bailey in very singular circumstances. Everyone was surprised that the jury retired at all and in fact they were eleven to one for a conviction. At 5 o'clock, they announced that there was no possibility of agreement. The Recorder refused to release them, but at 10 they were still divided. Only at 3 a.m. was the verdict returned, and then it was "Not guilty." The recalcitrant juror having announced his opinion, had settled down to read his paper and refused to speak to anyone. Worse still, he kept eating sandwiches and drinking brandy from a great flask while his fellows had no such resources. "What was the good of our sticking out?" one of them said to Williams afterwards: "The Recorder said he wouldn't discharge us, so we should have stopped there and starved. One by one, we gave in."

KING EDWARD'S HOSPITAL FUND FOR LONDON.

A series of Mock Trials, in aid of King Edward's Hospital Fund for London, will be held in the Theatre of the London School of Economics, Houghton-street, Aldwych (by courtesy of the Governing Body), on Tuesdays, 3rd, 10th, 24th and 31st May, and 7th and 14th June, at 5.30 p.m. Tickets, ranging in price from 2s. 6d. each or 12s. 6d. for the series, to 7s. 6d. each or £2 for the series, may be obtained from the Secretary of the Fund, 7, Walbrook, E.C.4, or at the doors.

Parliamentary News.

Progress of Bills.

House of Lords.

Army and Air Force (Annual) Bill.
Read Third Time. [27th April.
Bridgwater Corporation Bill.
Read Third Time. [27th April.
Bury Corporation Bill.
Read Second Time. [21st April.
Chancel Repairs Bill.
Royal Assent. [25th April.
Edinburgh Corporation Order Confirmation Bill.
Royal Assent. [25th April.
Edinburgh Corporation (Sheriff Court House, etc.) Order Confirmation Bill.
Royal Assent. [25th April.
Grey Seals Protection Bill.
Commons Amendments considered. [21st April.
Law of Property (Entailed Interests) Bill.
Read Second Time. [26th April.
London County Council (General Powers) Bill.
Read First Time. [25th April.
Marriages Provisional Orders Bill.
Read Second Time. [26th April.
Patents and Designs Bill.
Read Second Time. [26th April.
President of the Board of Trade Bill.
Royal Assent. [25th April.
Rating and Valuation (No. 2) Bill.
Read First Time. [27th April.
Road Traffic Amendment Bill.
Read First Time. [26th April.
Road Traffic Bill.
Read Second Time. [26th April.
Rochdale Corporation Bill.
Read Third Time. [26th April.
Royal Society for the Prevention of Cruelty to Animals Bill.
Read Third Time. [21st April.
Scarborough Gas Bill.
Read First Time. [25th April.
South Wales Electric Power Bill.
Read Third Time. [26th April.
Thames Conservancy Bill.
Read Third Time. [27th April.
Weston-super-Mare Grand Pier Bill.
Read Third Time. [21st April.
York Waterworks Bill.
Reported, with Amendment. [21st April.

House of Commons.

Bridgwater Corporation Bill.
Read First Time. [27th April.
Epsom College Bill.
Read Second Time. [25th April.
Ford Street Charity Bill.
Read Second Time. [25th April.
Goldsmiths' Consolidated Charities Bill.
Read Second Time. [25th April.
Kettering Gas Bill.
Reported, with Amendments. [21st April.
London County Council (General Powers) Bill.
Read Third Time. [22nd April.
London Local Authorities (Superannuation) Temporary Provisions Bill.
Reported, without Amendment. [21st April.
Maidstone Bread Charities Bill.
Read Second Time. [25th April.
Royal Society for the Prevention of Cruelty to Animals Bill.
Read First Time. [21st April.
Scarborough Gas Bill.
Read Third Time. [25th April.
Southern Railway Bill.
Reported, with Amendments. [26th April.
Thames Conservancy Bill.
Read First Time. [27th April.
Universities (Scotland) Bill.
Reported, with Amendments. [26th April.
Walthamstow Corporation Bill.
Reported, with Amendments. [21st April.
Weston-super-Mare Grand Pier Bill.
Read First Time. [21st April.

The Solicitors Bill.

The Solicitors Bill, which is intended to reproduce in a consolidated form and without amendment the whole of the

statute law in force in England with respect to solicitors, with certain exceptions, was considered by a joint Committee of both Houses of Parliament. [27th April.

Questions to Ministers.

DEEDS OF ARRANGEMENT ACTS.

Mr. ROSBOTHAM asked the President of the Board of Trade if he is aware that large sums of money have accumulated in the hands of trustees under deeds of assignment since the passing of the Bankruptcy Act, 1880; and will he take steps to amend the Deeds of Arrangement Acts to make it compulsory for trustees under deeds of assignment to pay in to the Board of Trade dividends and other undivided moneys remaining in their hands after the realisation of estates?

Mr. RUNCIMAN: I have no information which would lead me to suppose that large sums of money have accumulated in the hands of trustees under deeds of arrangement since 1880 or since the passing of the Deeds of Arrangement Act, 1887. With regard to the hon. Member's suggestion in the second part of the question, I would remind him that under s. 16 of the Deeds of Arrangement Act, 1914, at any time after the expiration of two years from the date of registration of a deed of arrangement, it is open to the trustee or a creditor or the debtor to apply to the court for an Order that all moneys representing unclaimed dividends and undistributed funds in the hands of the trustee or under his control shall be paid into court. [26th April.

PRIVATE MOTOR CARS (GOODS).

Mr. HALES asked the Minister of Transport whether his attention has been drawn to a recent decision in the King's Bench Divisional Court that it is illegal to carry goods or parcels in a private motor car; and, having regard to the possibility of the prosecution of motor owners, if he will take immediate steps for the removal of this restriction?

Mr. PYBUS: Immediately after the decision of the Divisional Court to which my hon. Friend refers I got into consultation with my right hon. Friend the Chancellor of the Exchequer as to the situation which has been created, and will make a statement at the earliest possible moment. [27th April.

Societies.

The Law Society.

HONOURS EXAMINATION.

MARCH, 1932.

The names of the solicitors to whom the candidates served under articles of clerkship are printed in parentheses.

At the examination for honours of candidates for admission on the Roll of Solicitors of the Supreme Court, the Examination Committee recommended the following as being entitled to honorary distinction:—

FIRST CLASS

(In order of merit).

Abraham Kramer (Mr. Penry Raymond Oliver, of the firm of Messrs. Raymond Oliver & Co., of London).

Ellis Levinson (Mr. Edmund John Roslin Hett, of the firm of Messrs. Hett, Davy & Co., of Scunthorpe; and Messrs. Collyer Bristow & Co., of London).

Richard Hugh Owens (Mr. Llewelyn Arthur Owens, B.Sc., of Rhyl).

SECOND CLASS.

(In alphabetical order).

John Maurice Baldry (Mr. Herbert Junius Allen Hardwicke, of the firm of Messrs. Gaby, Hardwicke, Evans-Vaughan and Bubear, of Bexhill and Hastings).

William Evan Bufton, LL.B. Wales (Mr. Archibald Lindsay Careless, of the firm of Messrs. E. P. & A. L. Careless, of Llandrindod Wells).

Ronald Manley Greenhalgh, LL.B. Manchester (Mr. Hugh John Kevilin Vaudrey, of the firm of Messrs. Vaudrey, Osborne and Mellor, of Manchester).

Donald Hargreaves Haslam (Mr. Daniel Edward Stephens Browne, of the firm of Messrs. Lewis Morgan, Browne and Haslam, of Cardiff).

Robert Lewis Jackson (Mr. Richard Dallow, of the firm of Messrs. Dallow & Dallow, of Wolverhampton).

Rufus Isidore Lewis (Mr. Thomas Richard Ludford, of Llanelly; and Messrs. Helder, Roberts, Giles & Co., of London).

Harold Raymond Neck (Mr. Samuel Harold Neck, of Moretonhampstead).

Gerard Ryder, LL.B. Manchester (Mr. Wilfrid John Pegge, of the firm of Messrs. Wilding, Earley & Pegge, of Manchester).

Percy Dale Wadsworth, LL.B. Wales (Mr. Ivan Amphlett Edwardes Evans, of the firm of Messrs. Amphlett & Co., of London and Colwyn Bay).

David Ronald Hugh Walters, B.A. Oxon (Mr. John William Botsford, B.A., of the firm of Messrs. Cousins, Botsford & Co., of Cardiff).

Cyril White, LL.B. Manchester (Mr. Sidney Wallhead, of the firm of Messrs. H. B. White, Sons & Wallhead, of Warrington).

THIRD CLASS.

(In alphabetical order).

Noel Dixon Armstrong, M.A., LL.B. Cantab. (Mr. Basil Cozens-Hardy, B.A., of the firm of Messrs. Cozens-Hardy and Jewson, of Norwich; and Messrs. Waterhouse & Co., of London).

Arthur Crawford Caffin (Mr. Milburn Vincent Mackey, of the firm of Messrs. Hayward, Smith & Mackey, of Rochester).

Norman Rex King (Mr. Edward William Marshall Harvey, of Bournemouth).

Geoffrey Banner Mendus (Mr. Stanley Parker Williams, of the firm of Messrs. Howell, Williams & Thomas, of Swansea).

Ethel Pitts (Mr. Francis George Robinson, of Ilkeston).

Robert Sutter Rainford (Mr. Edward Theodore Alms, of the firm of Messrs. Alms & Young, of Taunton).

John Frederic Rook (Mr. Henry Oxtoby Hilary, of Bingley).

Rowland John Rowlands (Mr. Horatio Abraham Phillips, of the firms of Messrs. Horatio Phillips & Co. and Messrs. Phillips & Phillips, of Ferndale; and Mr. Charles Franklyn Rowlands, of the firm of Messrs. Wrentmore & Son, of London).

Eric Thompson (Mr. Samuel Lithgow, of the firm of Messrs. Miles, Hutchinson & Lithgow, of Middlesbrough).

The Council of The Law Society have accordingly given a Class Certificate and awarded the following Prizes:—

To Mr. Kramer—The Clement's Inn Prize—Value about £42.

To Mr. Levinson—The Daniel Reardon Prize—Value about £21.

To Mr. Owens—The Clifford's Inn Prize—Value £5 5s.

The Council have given Class Certificates to the Candidates in the Second and Third Classes.

Ninety-four Candidates gave notice for Examination.

Law Association.

The usual monthly meeting of the directors was held at The Law Society's Hall, on Thursday, the 21st April. Mr. Frank S. Pritchard in the chair, the other directors present were: Mr. J. D. Arthur, Mr. E. B. V. Christian, Mr. Douglas T. Garrett, Mr. Percy E. Marshall, Mr. C. D. Medley, Mr. C. F. Pridham, Mr. J. E. W. Rider, Mr. Wm. Winterbotham, Mr. W. M. Woddhouse and Mr. E. E. Barron, the secretary. A sum of £170 was voted in relief of deserving applicants. The Annual General Court was fixed to be held at The Law Society's Hall, on Wednesday, the 1st June next, when the president Lord Blanesburgh had consented to take the chair, at 2 o'clock punctually, and all members of the profession were invited to attend.

The Grotius Society.

HOLLAND DURING THE GREAT WAR.

Lord Hanworth, Master of the Rolls, presided at a meeting of this Society in Gray's Inn Hall, on 19th April, when Jonkheer W. J. M. van Eysinga read a paper on "Some Aspects of the Netherlands as a Neutral State during the Great War."

Jonkheer van Eysinga, in defining the attitude of Holland during the war, said that she had tried, under very difficult conditions, to maintain the law of neutrality against one-sided derogations by powerful belligerents on both sides. This law had been codified in certain of the conventions of the Second Peace Conference at the Hague and in the Declaration of London. It consisted of a compromise between the neutral interests which desired freedom of sea-borne trade and the belligerent interests which desired its restriction. Logically, the duty of a belligerent came first and that of a neutral second. Although the codification of 1907-1909 had not technically been in force at the outbreak of the war, the law which it declared had existed for a long time. The Allies had besieged Germany on the surface and Germany had besieged the Allies below the surface, so that very little had been left of the free sea-borne trade guaranteed by the codification. The Dutch Government had never ceased to remonstrate

against these unilateral changes. For instance, a neutral vessel might only be brought to a port after search (Declaration of London, Art. 63). In 1913 Italy had had to compensate France for the seizure of the mail steamers "Carthage" and "Manouba." In the war the Allies had, as a practice, sent neutral vessels into port to be searched; in May, 1917, a British cruiser had ordered two Dutch vessels, the "Elve" and the "Bernisse," into Kirkwall, and on the way there one had been sunk and the other damaged by a German submarine in the "Sperrgebiet." The Dutch Government had claimed compensation, and the claim, although strenuously resisted by the Cabinet, had in 1920 been allowed by the Judicial Committee of the Privy Council. In spite of great difficulty, the Dutch had kept their territorial waters clear of belligerents, even to the extent of interning two U-boats which had been badly wanted for the unrestricted submarine war. This incident had caused a sharp clash with Germany, but had been settled by arbitration. They had also successfully resisted the claim of British armed merchantmen to enter their waters.

On land they had been more successful, interning many thousands of belligerent soldiers, and thereby much enriching the jurisprudence of internment. A royal decree of August 1914 had prohibited the crossing of the Dutch frontier by foreign aeroplanes, and this action had been confirmed by the Convention of 1919 and the regulations drafted at the Hague in 1923.

The Chairman remarked that Britain had, in "besieging" Germany, only followed the American doctrine of "continuous voyage." He reminded the lecturer that the laws of neutrality were not entirely codified in the Conventions of 1907 and 1909: Germany had refused to sign a large number of them, and they did not hold the general agreement of European nations. Referring to the incident of the "Elve" and "Bernisse," he said that it was impossible to search modern large vessels at sea, and that most of the neutral vessels that had come into Kirkwall had done so by agreement, and had been provided with bunkers of coal as a consideration. The matters of controversy with which he and the lecturer, among others, had been occupied in the war had ultimately led to deep affection between the English and Dutch delegates and to a friendly understanding between the two countries, in the spirit of the great Dutch jurist whose name the Society bore.

Royal Society of Arts.

DEFECTS IN THE LAW OF HIRE PURCHASE.

The Right Hon. Sir Arthur Steel-Maitland, Bart., took the chair at a meeting of this Society, held on the 20th April, and Mr. J. Gibson Jarvie, barrister-at-law, and chairman of the United Dominions Trust, Ltd., delivered a lecture entitled "Instalment Buying."

Mr. Gibson Jarvie related the means by which the American motor car industry had been built up to its present enormous dimensions by the hire-purchase system. A new class of commercial bank had been evolved for financing instalment buying. These institutions had for the most part been conducted on sound lines and had weathered the present financial storm much more successfully than the ordinary banking houses. The statement that instalment sales had been responsible for the 1929 crash in America was wholly untrue; they had, by maintaining production and distribution, considerably shortened its duration.

The system, especially in this country, was not yet as widely and as scientifically applied as it should be. Certain general rules existed which it would be well to follow. The contract should always be between the actual vendor and the customer—or the manufacturer or merchant and his hire-purchaser—in order to maintain the proper contact between the parties. The transaction was then legally unquestionable, and the financing company merely played its true part—that of a bank. It would approve the credit standing of the buyer; would seek to provide adequate protection for the vendor, and would ensure that the documents constituted a suitable banking security on which financial facilities could be granted. The use of such documents was advisable even when the vendor did not need immediate finance, because he could cash them at some future time if he desired.

The financial situation and the legal position attendant on it, said Mr. Jarvie, was somewhat difficult in this country; consequently a type of finance house had grown up which was neither merchant nor bank, but which purported to be either according to the occasion. Certain legal anomalies had made the existence of these organisations intelligible, but, both on principle and from the point of view of progress, they were highly undesirable. The law had forced them to project themselves into the position of a merchant, thus coming between the actual merchant and the customer, and in order to conform to the law it had been necessary to prepare various documents based on fictitious transactions. Mr. Jarvie said that he did not question the legality of this type of transaction so long as each step was taken in strict sequence, but he considered that industry would have been better served without such organisations. There was no necessity for any merchant or manufacturer to handle business other than in his own name.

The lecturer regretted that certain companies had been enabled to conduct unsound business resulting in bankruptcy because loans had been granted to them on the strength of insurance guarantees. This was a closed chapter in the instalment selling of this country, he said, but its evil effects remained, because underwriters had become unwilling to insure even sound companies. Years might elapse before that insurance was restored. He concluded by emphasising that instalment selling, through enabling the producer to increase his productivity by the easiest means, created new wealth and was indispensable to the development of civilisation.

Haldane Club.

At a meeting of the Haldane Club held on 18th April, Mr. W. A. L. Raeburn opened a discussion on the "Collection of Counsel's Fees," during which he referred to the policy of The Law Society mentioned in the annual statements of the Bar Council for 1930 and 1931, in each case at p. 10. Mr. Raeburn contended that delay and uncertainty in the payment of counsel's fees was a point from which the inadequacy (which he alleged) of the public service given by the profession at the present time could be explored. In particular, he drew attention to its bearing upon speculative actions and the legal representation of a large class of persons who were just outside the scope of the provisions at present applying to poor persons. The scheme which he proposed was for the setting up of a form of clearing house for the maintenance of proper causes upon a basis of paying normal fees to solicitors and counsel. It was to be financed upon a contributory footing, reinforced by insurance; it would be in a strong position to maintain the highest standard of work from the professional men engaged; and it would in time increase its activities to the benefit both of the public and the profession.

Criticism was forthcoming along the lines that the problem of collecting counsel's fees was not one which called for the introduction of such elaborate machinery, and that Mr. Raeburn's objective was too remote to justify his means. He was invited however to develop his scheme further so far as it provided for the representation of poorer litigants, for discussion at a later date.

Law Students' Debating Society.

At a meeting of the society held at The Law Society's Hall, on Tuesday, 26th April, (Chairman, Mr. T. M. Jessup), the subject for debate was: "That this House deplores the Budget."

Mr. R. W. S. Pollard opened in the affirmative; Mr. J. M. Buckley opened in the negative. The following members also spoke: Messrs. C. F. S. Spurrell, R. Langley Mitchell, P. W. Iliff, W. M. Pleadwell, J. C. Christian-Edwards, T. Kenyon, E. G. M. Fletcher and Miss Cross. The opener having replied, the motion was lost by one vote. There were sixteen members and one visitor present.

Inner Temple.

The Treasurer (Sir Lancelot Sanderson) and the Masters of the Bench of the Inner Temple entertained at dinner on Wednesday, the 27th April, being the Grand Day of Easter Term, the following guests: The Earl of Clanwilliam, Captain The Hon. Michael Knatchbull, Sir George R. Lowndes, K.C., Sir Henry Betterton, Mr. Justice Eve, the President of the Royal Academy of Arts, Admiral Sir Cyril Fuller, Sir Lionel Fletcher, Sir Thomas Richardson, the Treasurer of the Middle Temple, Mr. E. C. Grenfell, Mr. David Maughan, K.C., the Master of the Temple, Mr. Sydney Tatchell, Mr. R. A. Roberts, Mr. A. J. Webbe, Mr. W. B. Maxwell, Mr. Frederick Lonsdale, Mr. A. A. Milne, Mr. E. F. Dent, and the Sub-Treasurer.

The Masters of the Bench present, in addition to the Treasurer, were: Sir Francis Taylor, K.C., Mr. Justice Avory, Viscount Sumner, Sir William Hansell, K.C., Mr. A. M. Langdon, K.C., Lord Hanworth (Master of the Rolls), Mr. Justice Talbot, Mr. A. W. Bairstow, K.C., Mr. Alexander Grant, K.C., Sir Leslie Scott, K.C., Mr. Justice Bateson, Mr. R. H. Balloch, Mr. F. P. M. Schiller, K.C., Sir Thomas Inskip, K.C. (Attorney-General), Mr. Justice MacKinnon,

Lord Wright, Lord Macmillan (Honorary), Mr. E. W. Wingate-Saul, K.C., Mr. A. T. Bucknill, K.C., Mr. J. E. Singleton, K.C., Mr. Wilfrid Lewis, Mr. M. J. L. Beebee, Mr. S. R. C. Bosanquet, K.C., Mr. W. O. Willis, K.C., Mr. H. H. Joy, K.C., Master Sir George Bonner, Mr. R. A. Gordon, K.C., Mr. C. Doughty, K.C., and Mr. C. N. Tindale Davis.

Middle Temple.

Friday, the 22nd April, being Grand Day of the Easter Term at Middle Temple, the Treasurer (Mr. Leslie de Gruyther, K.C.) and the Masters of the Bench entertained at dinner the following guests: The Swedish Minister, the Bishop of London, Lord Tomlin, Lord Thankerton, The Hon. Esmond Harmsworth, Lord Justice Greer, Sir George May, General Sir Walter Braithwaite, Sir Harcourt Butler, Admiral Sir Colin Keppel, Sir William Llewellyn, P.R.A., Sir Herbert Baker, Sir Charles Neish, Sir Geoffrey Clarke, Sir James Jeans, Vice-Chancellor Sir Courthope Wilson (Treasurer of Gray's Inn), Canon S. C. Carpenter (Master of the Temple), Mr. Angus N. Scott (Chairman, L.C.C.), Mr. Geoffrey Dawson (Editor of *The Times*), The Rev. J. F. Clayton (Reader, Temple Church), and the Under-Treasurer (Mr. T. F. Hewlett).

The Benchers present, in addition to the Treasurer, were: Sir Robert McCall, K.C., Judge Ruegg, K.C., Mr. Aspinall, K.C., Mr. Justice Horridge, Lord Craigmyle, Mr. Justice McCardie, Mr. Edward Shortt, K.C., Viscount Finlay, K.B.E., Mr. Gover, K.C., Mr. Williamson, Mr. Bevan, K.C., M.P., Judge Sir Thomas Artemus Jones, K.C., Mr. Vernon, Mr. Miller, K.C., Mr. Craig Henderson, K.C., Mr. Tindal Atkinson, C.B.E., Mr. A. B. Babington, K.C., M.P., Mr. Paterson, and Sir Henry Foster MacGeagh, K.C.

Legal Notes and News.

Honours and Appointments.

The King has been pleased to approve that the honour of Knighthood be conferred upon The Honourable Geoffrey (Mr. Justice) LAWRENCE, D.S.O., on his appointment as a Justice of the High Court of Justice.

The Lord Chancellor has appointed Lieutenant-Colonel THOMAS HENRY WALKER, D.S.O., T.D., to be a Taxing Master of the Supreme Court of Judicature.

The King has been pleased, by warrant bearing date 18th April, to appoint Mr. JAMES WILLOUGHBY JARDINE, K.C., to be His Majesty's Solicitor-General of the County Palatine of Durham.

The King has been pleased to approve the appointment of U BA U as a Puisne Judge of the High Court at Rangoon, in the vacancy which was created on 1st January by the appointment of U BA as a member of the Executive Council of the Governor of Burma.

Court Papers.

Supreme Court of Judicature.

ROTA OF REGISTRARS IN ATTENDANCE ON

DATE.	EMERGENCY ROTA.	APPEAL COURT No. I.	GROUP I. MR. JUSTICE EVE.	MR. JUSTICE MAUGHAM.
			Witness, Part II.	Witness, Part I.
M'nd'y May 2	Mr. Blaker	Mr. Andrews	Mr.*Blaker	Mr.*Jones
Tuesday .. 3	More	Jones	Jones	*Hicks Beach
Wednesday 4	Hicks Beach	Ritchie	*Hicks Beach	*Blaker
Thursday . 5	Andrews	Blaker	Blaker	*Jones
Friday 6	Jones	More	*Jones	Hicks Beach
Saturday .. 7	Ritchie	Hicks Beach	Hicks Beach	Blaker
	GROUP I. MR. JUSTICE BENNETT.	MR. JUSTICE CLAUSON.	GROUP II. MR. JUSTICE LUXMOORE.	MR. JUSTICE FARWELL.
	Non-Witness.	Witness, Part I.	Non-Witness.	Witness Part II
M'nd'y May 2	Mr. Hicks Beach	Mr.*More	Mr. Ritchie	Mr. Andrews
Tuesday .. 3	Blaker	*Ritchie	Andrews	*More
Wednesday 4	Jones	*Andrews	More	Ritchie
Thursday . 5	Hicks Beach	More	Ritchie	*Andrews
Friday 6	Blaker	*Ritchie	Andrews	More
Saturday .. 7	Jones	Andrews	More	Ritchie

* The Registrar will be in Chambers on these days, and also on the days when the Courts are not sitting.

Stock Exchange Prices of certain Trustee Securities.

Bank Rate (21st April, 1932) 3%. Next London Stock Exchange Settlement Thursday, 5th May, 1932.

	Middle Price 27 April 1932	Flat Interest Yield. £ s. d.	Approximate Yield with redemption £ s. d.
English Government Securities.			
Consols 4% 1957 or after	94¾	4 4 5	—
Consols 2½%	60½	4 2 8	—
War Loan 5% 1929-47	101¼xd	4 18 9	—
War Loan 4½% 1925-45	101xd	4 9 1	4 8 0
Funding 4% Loan 1960-90	97	4 2 6	4 2 9
Victory 4% Loan (Available for Estate Duty at par) Average life 31 years	98½	4 1 3	4 1 8
Conversion 5% Loan 1944-64	106½	4 13 11	4 12 2
Conversion 4½% Loan 1940-44	103	4 7 5	4 4 0
Conversion 3½% Loan 1961	85	4 2 4	—
Local Loans 3% Stock 1912 or after	70¾	4 4 9	—
Bank Stock	272	4 8 2	—
India 4½% 1950-55	88xd	5 2 4	—
India 3½%	66	5 6 0	—
India 3%	57	5 5 3	—
Sudan 4½% 1939-73	99½	4 10 5	4 10 6
Sudan 4% 1974	92½	4 6 6	4 7 10
Transvaal Government 3% 1923-53 (Guaranteed by British Government.)	87	3 8 11	3 18 7
Colonial Securities.			
Canada 3% 1938	93	3 4 6	4 5 1
Cape of Good Hope 4% 1916-36	96	4 3 4	4 10 10
Cape of Good Hope 3½% 1929-49	82½	4 4 10	5 0 3
Ceylon 5% 1960-70	106	4 14 4	4 13 3
Commonwealth of Australia 5% 1945-75	84½	5 18 4	6 0 3
Gold Coast 4½% 1956	100	4 10 0	4 10 0
Jamaica 4½% 1941-71	99	4 10 11	4 11 2
Natal 4% 1937	97	4 2 6	4 13 9
New South Wales 4½% 1935-45	68	6 10 5	8 10 10
New South Wales 5% 1945-65	65	7 13 10	8 0 11
New Zealand 4½% 1945	89½	5 0 7	5 13 7
New Zealand 5% 1946	99	5 1 0	5 2 0
Nigeria 5% 1950-60	105	4 15 3	4 13 7
Queensland 5% 1940-60	75	6 13 4	7 1 6
South Africa 5% 1945-75	100¼	4 19 6	4 19 5
South Australia 5% 1945-75	85	5 17 8	5 19 6
Tasmania 5% 1945-75	82	6 2 0	6 4 1
Victoria 5% 1945-75	75	6 13 4	6 16 0
West Australia 5% 1945-75	82	6 2 0	6 4 1
Corporation Stocks.			
Birmingham 3% on or after 1947 or at option of Corporation	68	4 8 2	—
Birmingham 5% 1946-56	105	4 15 3	4 13 1
Cardiff 5% 1945-65	103	4 17 1	4 16 5
Croydon 3% 1940-60	75	4 0 8	4 12 9
Hastings 5% 1947-67	103	4 17 1	4 16 4
Hull 3½% 1925-55	84	4 3 4	4 13 0
Liverpool 3½% Redeemable by agreement with holders or by purchase	80	4 7 6	—
London City 2½% Consolidated Stock after 1920 at option of Corporation	58	4 6 2	—
London City 3% Consolidated Stock after 1920 at option of Corporation	70	4 5 8	—
Metropolitan Water Board 3% "A" 1963-2003	71½	4 3 10	—
Do. do. 3% "B" 1934-2003	72	4 3 4	—
Middlesex C.C. 3½% 1927-47	89	3 18 8	4 10 9
Newcastle 3½% Irredeemable	76	4 12 2	—
Nottingham 3% Irredeemable	67	4 9 6	—
Stockton 5% 1946-66	103	4 17 1	4 16 5
Wolverhampton 5% 1946-56	103	4 17 1	4 15 7
English Railway Prior Charges.			
Gt. Western Rly. 4% Debenture	84½	4 14 9	—
Gt. Western Railway 5% Rent Charge	100	5 0 0	—
Gt. Western Rly. 5% Preference	66½	7 10 5	—
L. Mid. & Scot. Rly. 4% Debenture	79½	5 0 7	—
L. Mid. & Scot. Rly. 4% Guaranteed	66½	6 0 3	—
L. Mid. & Scot. Rly. 4% Preference	37½	10 13 4	—
Southern Railway 4% Debenture	80½	4 19 4	—
Southern Railway 5% Guaranteed	92½	5 8 1	—
Southern Railway 5% Preference	53¼	9 6 7	—
*L. & N.E. Rly. 4% Debenture	71½	5 11 10	—
*L. & N.E. Rly. 4% 1st Guaranteed	59	6 15 8	—
*L. & N.E. Rly. 4% 1st Preference	34½	11 11 11	—

*The Prior Charge Stocks of the L. & N.E. Rly. are no longer available for Trustees under the heading of either Strict Trustee or Chancery Stocks as no dividend has been paid on that Company's Ordinary Stocks for the past year.